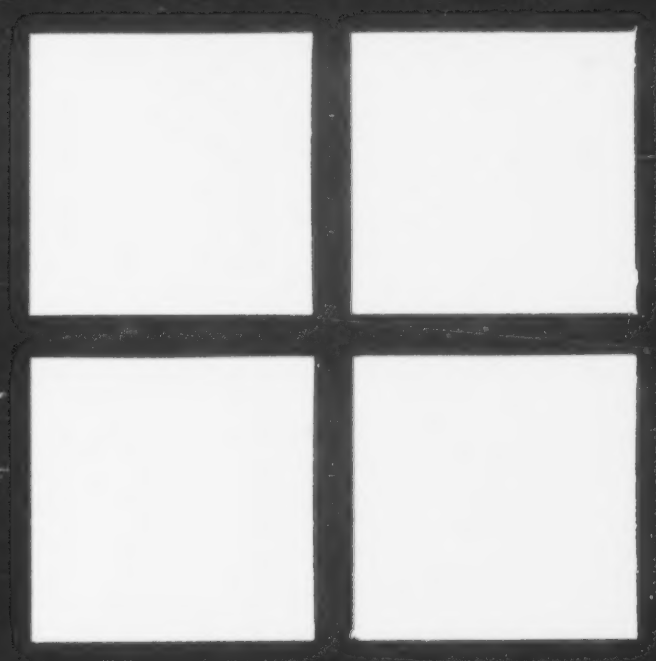




Alberta children's services

2002-2003 Annual Report • Section 1





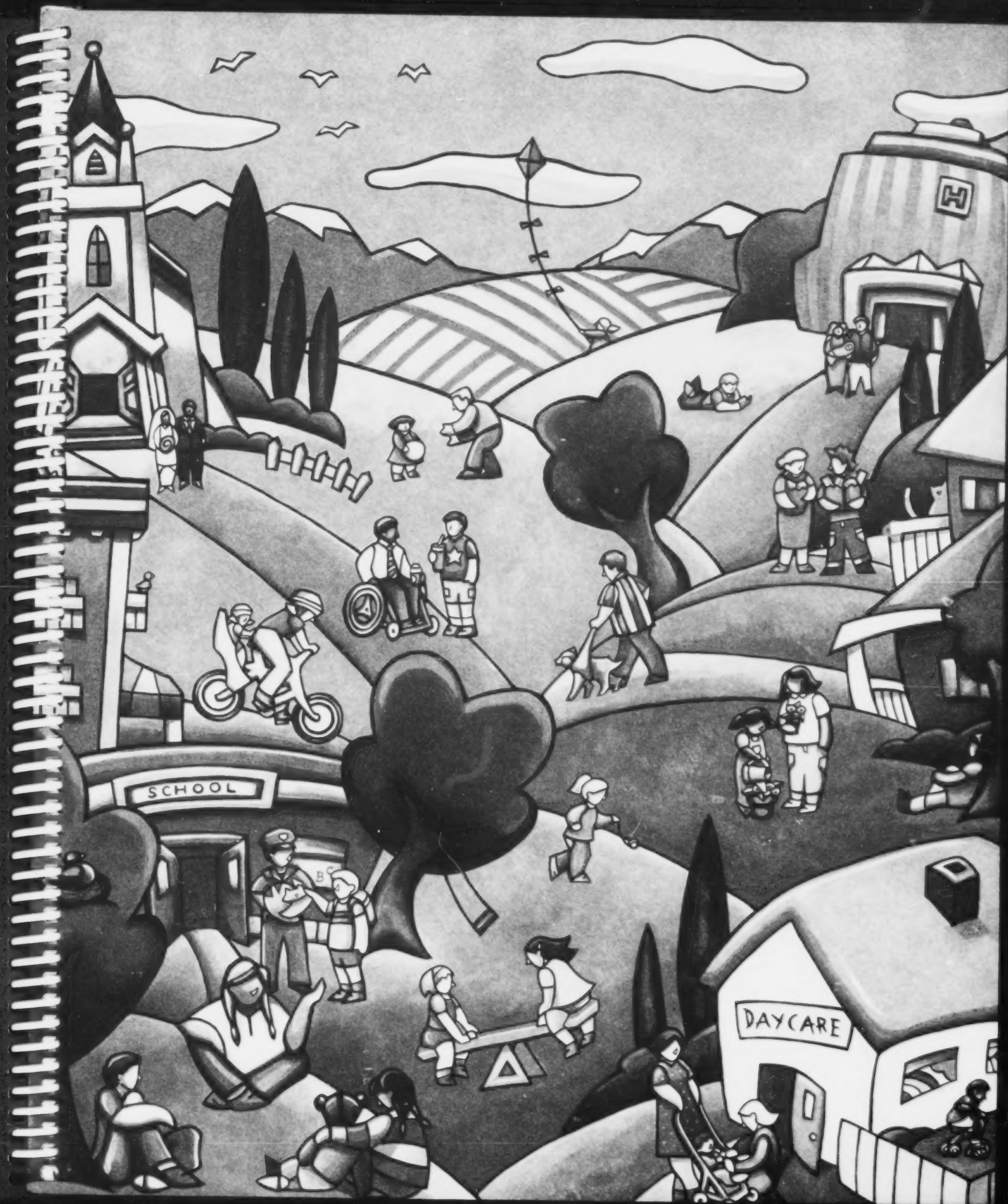




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Section 2

Financial Statements

CFSA Financial Statements

Public Accounts 2002-2003

The Public Accounts consist

of the annual report of the

Government of Alberta and the

annual reports of each of the

24 ministries.

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta released June 2003 contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Children's Services contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry including the Department of Children's Services and 18 Child and Family Services Authorities for which the minister is responsible,
- other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as part of the financial statements, to the extent that the ministry has anything to report.

Minister's Accountability Statement

The ministry's annual report for the year ended

March 31, 2003, was prepared under my direction in accordance with the

Government Accountability Act and the government's accounting policies.

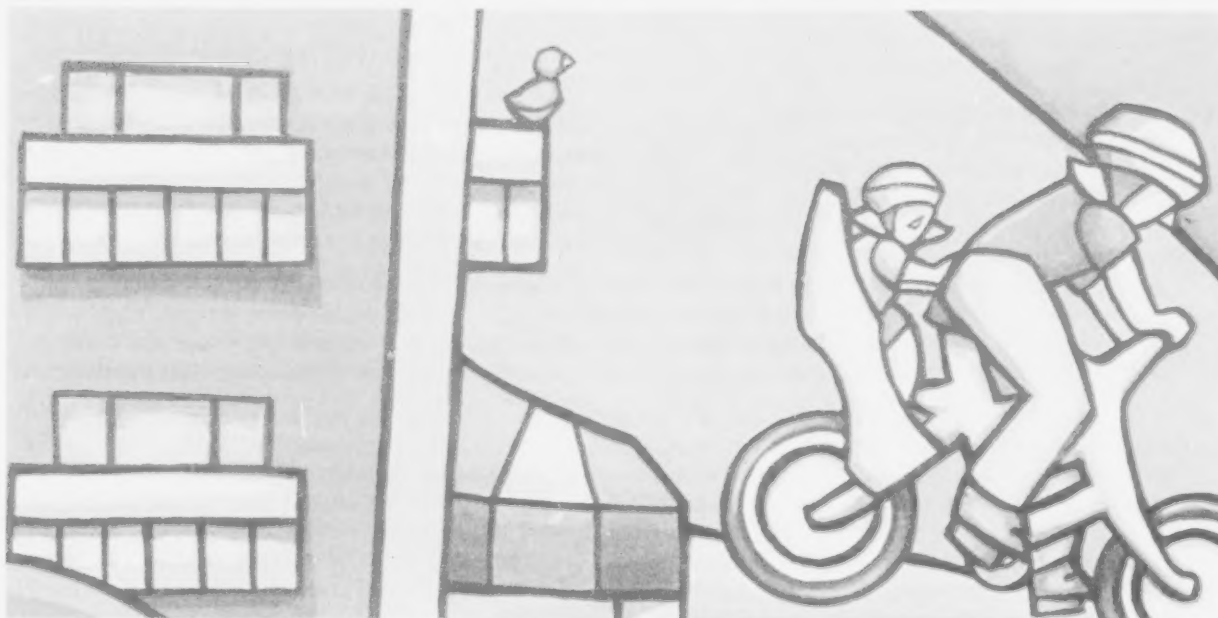
All of the government's policy decisions as of September 4, 2003 with

material economic or fiscal implications of which I am aware, have been

considered in the preparation of this report.



Iris Evans
Minister of Children's Services



Message from the Minister

At Alberta children's

Services we recognize that the

well-being of children and families

in this province cannot be the sole

responsibility of government. It is

up to all of us, including families,

communities and governments, to work together to ensure our children are

safe, healthy and ready for their future.



We are pleased to report that

the Alberta Response Model

(ARM) is well underway in

all regions across the province.

This year, while continuing our role as protector of vulnerable children, we also focused more specifically on meeting the developmental needs of each child and mobilizing all possible resources within the family, community and broader society to support the well-being of children. This is the underlying principle of our new Alberta Response Model (ARM).

We are pleased to report that ARM is well underway in all regions across the province. This new model of service delivery focuses on improving outcomes for children and youth by supporting and strengthening families through community-based partnerships. Each Child and Family Services Authority reported a number of successes, due in large part to the Alberta Response Model.

In conjunction with the implementation of ARM was the conclusion of our review of the *Child Welfare Act* – a very in depth review that was lead by Calgary Buffalo MLA Harvey Cenaiko. The result of this review was the creation and introduction of Bill 24, the new *Child Welfare Amendment Act*.

This new act will place greater emphasis on, and accountability for: the safety and well-being of children, permanent placements for children, involvement of children and families in decision making, increased collaboration and partnerships, and clarification of the appeal process.



The *Child Welfare Act* review also resulted in the creation of the *Family Support for Children With Disabilities Act*. Mary Anne Jablonski, MLA for Red Deer North, was instrumental in the creation of this act and its introduction into the legislature. The act provides separate and distinct legislation for children with disabilities and their families that is unique in Canada. The intent of the *Family Support for Children With Disabilities Act* is to provide a spectrum of proactive family-centered supports and services to empower families of children with disabilities, preserve and strengthen families as well as prevent families from going into crisis.

A review of the *Social Care Facilities Licensing Act* also took place. Amendments were made to address the issue of overlapping jurisdictions and to update the definition of a social care facility.

In the past year, the Social Care Facilities Review Committee lead by Cindy Ady, MLA for Calgary-Shaw, conducted 1,500 interviews while reviewing 127 foster homes, 88 child and youth social care facilities and 11 women's emergency shelters.

The committee's review recommendations along with the expanded capability for those reviews to influence policy direction has made a huge difference in the effort of bettering the lives of children and youth.

To improve regional authority governance and administrative management, to reinforce connection with communities and to respond to evolving best practices in child welfare service delivery, the ministry undertook a review of its regional Child and Family Services Authorities' boundaries. The resulting boundary changes, going from 18 to 10 regional authorities, coordinated with the boundary realignment for the Regional Health Authorities under Alberta Health and Wellness. The regional amalgamation will result in improved service delivery in the future.

In response to needs identified by Alberta's child care community and in fitting with the Alberta Response Model's mandate to provide early supports for families who are at risk, Children's Services invested \$5.6 million into strengthening child care standards and providing supports to families. Our initiative is Canada's first child care centre accreditation program.

Based on a common goal of protecting victims of family violence and preventing its reoccurrence, Children's Services, the Royal Canadian Mounted Police (RCMP) and the Alberta Council of Women's Shelters (ACWS) entered into a groundbreaking agreement in early July.

A Memorandum of Understanding was signed to promote improved communication between the province, RCMP, and ACWS in order for victims of family violence to receive timely support and improved access to services. The agreement gives Alberta RCMP detachments better access to information on shelters as well as other resources available to assist victims of family violence.

Throughout the past year, Children's Services continued its efforts to prevent Fetal Alcohol Spectrum Disorder and provide assistance to those already affected. This work is very important because alcohol plays havoc with the development of an unborn baby and causes permanent brain damage. The disorder not only affects individuals, but families and society as a whole. Our budget in this area during the past year was \$3 million, which is a 300 per cent increase over the past three years.

Every child deserves a permanent and loving home. Children require stability and relationships with caring adults to reach their potential. As part of our aggressive recruitment efforts to find adoptive families for children in permanent government care, we introduced a new adoption Web site. This Web site makes Alberta the first provincial government in Canada to utilize the Internet to openly present children who are eligible for adoption. The site features profiles and videos of children waiting to be adopted.

Our adoption Web site sparked tremendous interest in adoption in the province and across the country. A three-month review of its effectiveness determined that the Web site evoked a public response that resulted in matches for 48 children. The initiative has been such a success that the Adoption Council of Canada has asked Alberta to work with them in developing national guidelines for media recruitment of prospective adoptive parents.

Children's Services celebrated Alberta's young people when 17 children and youth were honoured at Edmonton's Fantasyland Hotel for their outstanding accomplishments at home and in their communities. I was very humbled and honoured to meet these 'Great Kids'. All of the 17 winners demonstrated tremendous leadership and compassion.

Our Great Kids Award winners are always such an inspiration to me. We could all learn a lesson or two from these truly inspirational young people.

A wonderful new initiative came to fruition on March 10 when 'Alberta's Promise' was officially proclaimed as *The Premier's Council on Alberta's Promise Act*. This new legislation seeks to unite the entire province—every business, every community and every individual to improve the lives of children. Alberta's Promise is a unique opportunity for co-operation between the corporate sector, communities and governments to help secure a brighter future for Alberta's children and youth. Alberta's Promise will facilitate the matching of Alberta's business community with non-profit agencies that provide programs and services for children and youth.

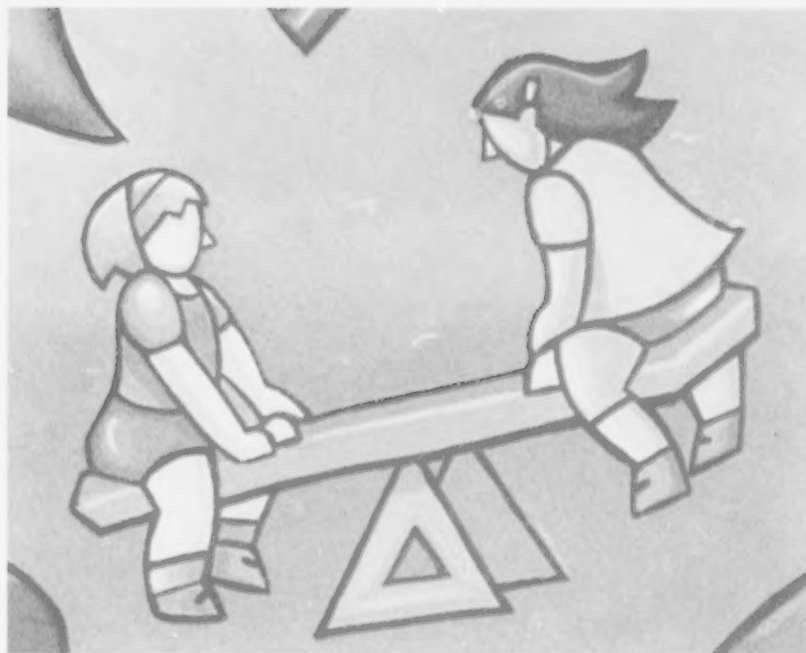
When I think of Alberta's Promise, I think of a colourful rainbow spanning the horizon that has no beginning and has no end. Our promise for our children should provide a palette of unlimited opportunities where innovation is celebrated and encouraged. I imagine our province assisting families so that every child who needs help receives it. I believe our province should help communities to assure that every child is protected from harm and is given the best start possible.

I am very proud of the accomplishments and successes Children's Services has made on behalf of Alberta's children, youth and families in the past year. I encourage you to read our 2002-03 Annual Report and reflect on the positive outcomes for children and youth being achieved in this great province.



Iris Evans
Minister

Management Responsibility for Reporting



Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Children's Services.

The Ministry of Children's Services includes the Office of the Children's Advocate, the Child and Family Services Authorities, Family and Community Support Services, the Youth Secretariat, the Department of Children's Services and the Social Care Facilities Review Committee.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of

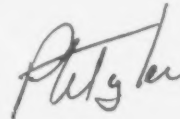
Children's Services. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As deputy minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the Province under ministry administration,

- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Children's Services any information needed to fulfill their responsibilities, and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.



Paula Tyler
Deputy Minister
September 4, 2003



Overview

operational overview

overall ministry operations and services

Alberta is home to more than 840,000 children and youth under the age of 18. While most are growing up happy and healthy, some face considerable challenges.

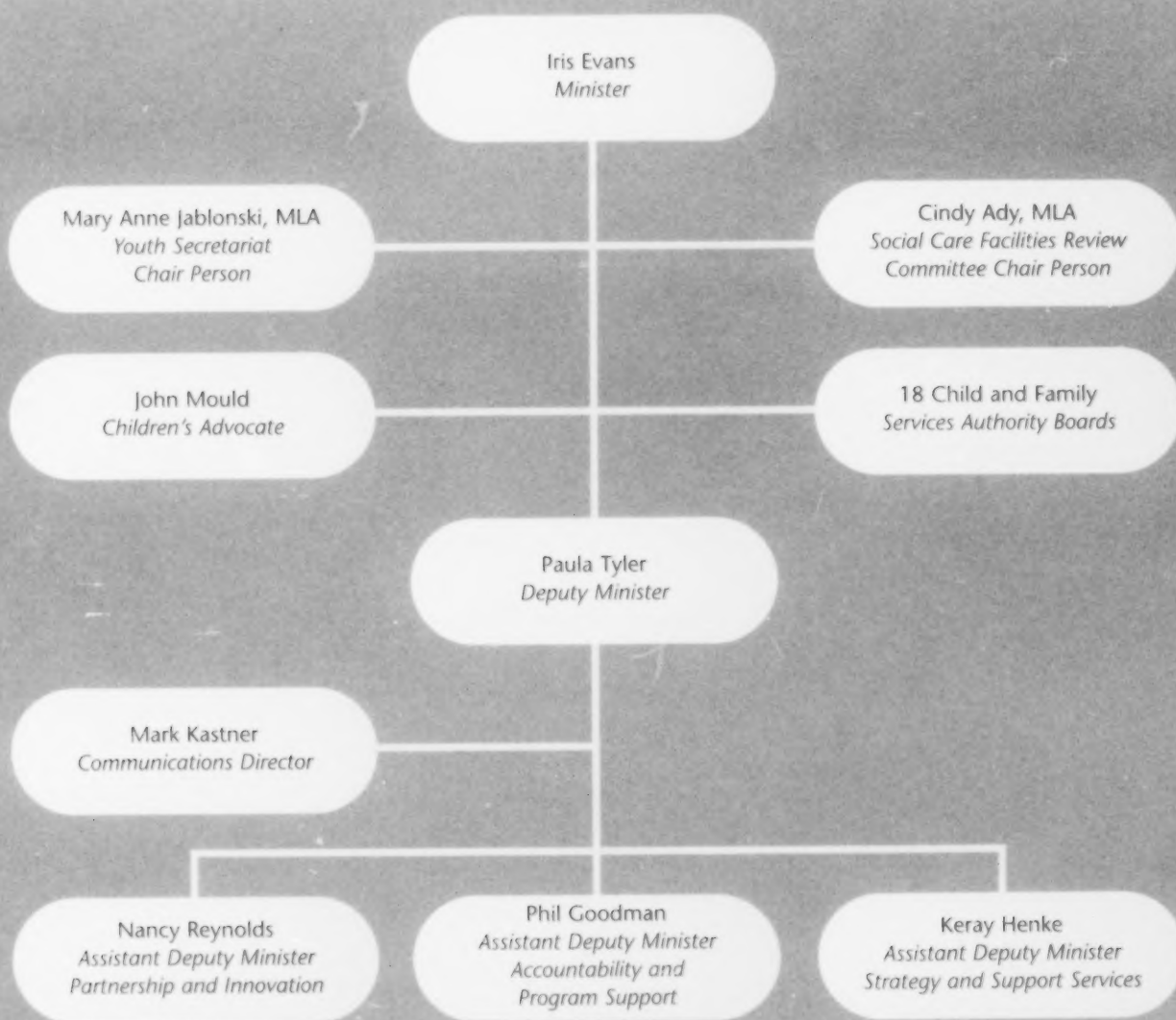
To give all of our children and youth the opportunity to live happy and rewarding lives, the Ministry of Children's Services works with families and communities to break cycles of family violence, stop abuse and lessen the effects of poverty that often prevent children from becoming strong, sound individuals. Together we strive to provide safe and nurturing environments for the children and youth of our province.

Our vision is one of strong children, families and communities – an Alberta where children and youth are valued, nurtured and loved, and develop to their potential supported by enduring relationships, healthy families and safe communities.

Alberta will be child, youth and family friendly.

Our mission is to work together to enhance the ability of families and communities to develop nurturing and safe environments for children, youth and individuals.

Children's Services Organization



Description of Organization

Under Alberta law, the provincial government is accountable for services providing for the safety, security and well-being of children and families. The Ministry of Children's Services fulfils its obligations through a number of entities. These include:

Child and Family Services Authorities (CFSAs)

Led by a board made up of members of the community who are appointed by the Minister of Children's Services, each CFSA provides strong leadership. To ensure the effectiveness of each authority, a chief executive officer is appointed in each region to oversee the execution of the board's policies and decisions. More than 2,000 Government of Alberta employees work in the province's 18 CFSAs and report to their respective chief executive officer. When necessary, CFSAs will contract community-based agencies to deliver services.

Each Child and Family Services Authority:

- Assesses needs, sets priorities, plans, allocates resources, and manages the provision of services to children, families and other community members in the region
- Ensures children and families have access to quality services
- Ensures provincial policies and standards are followed in the region
- Monitors and assesses the provision of child and family services
- Works with other CFSAs, public and private bodies, and government to coordinate services for children and families.

To support the continued delivery of quality services and programs, Children's Services staff located in the department, work to develop policies, best practices, and performance measures and to manage programs and services. They also provide financial, business, information technology, legal, human resource, and communication

management services. These department staff also work with other Alberta government ministries, community partners, and provincial, territorial and federal governments to develop new initiatives for children.

To ensure the integrity and strategic direction of the system is maintained, the ministry oversees all activities, sets provincial policies and standards, monitors and assesses the CFSAs, and allocates appropriate funds. As well, the Office of the Children's Advocate works to aid individual children receiving services under the *Child Welfare Act* and identifies areas of the child welfare system that can be improved.

Child and Family Services Authorities

Sun Country Child and Family Services Authority
 Southeast Alberta Child & Family Services Authority
 Windsong Child & Family Services Authority
 Calgary Rocky View Child & Family Services Authority
 Hearthstone Child & Family Services Authority
 Diamond Willow Child & Family Services Authority
 Ribstone Child & Family Services Authority
 West Yellowhead Child & Family Services Authority
 Keystone Child & Family Services Authority
 Ma'môwe Capital Region Child & Family Services Authority
 Sakaw-Askiy Child & Family Services Authority
 Sakaigun Asky Child & Family Services Authority
 Region 13 Child & Family Services Authority
 Region 14 Child & Family Services Authority
 Neegan Awas'sak Child & Family Services Authority
 Awasak Child & Family Services Authority
 Silver Birch Child & Family Services Authority
 Metis Settlements Child & Family Services Authority

(See Appendix 4, Child and Family Services Authorities Directory)

Delegated First Nations Agencies (DFNAs)

In an effort to better meet the unique needs of aboriginal children, Alberta Children's Services recognized the First Nation and Metis communities' role in the design and implementation, monitoring and evaluation of child welfare services. Under the 1973 Blackfoot (Siksika)-Canada-Alberta Child Welfare agreement, and other subsequent agreements, aboriginal agencies have been delegated the responsibility of providing some or all child welfare services to their member bands' families. Under these agreements, delegated Delegated First Nations Agencies have the authority to deliver services as per the *Child Welfare Act*.

Youth Secretariat

The Youth Secretariat works with youth, families, MLAs, ministry representatives, government departments and stakeholders to address issues facing Alberta's youth. The Secretariat also supports and maintains a Youth Advisory Panel to ensure solutions are developed to effectively address issues affecting Alberta's youth.

Office of the Children's Advocate

The Office of the Children's Advocate represents the rights, interests and viewpoints of children receiving child welfare services. The Office also identifies issues of concern in the child welfare system and reports directly to the minister regarding these issues.

Social Care Facilities Review Committee (SCFRC)

The SCFRC is a citizen panel, appointed by the minister, with a legislated mandate to evaluate provincially funded social care facilities and investigate complaints. The committee reports directly to the minister and is chaired by Cindy Ady, MLA for Calgary-Shaw.

Communications

The Communications branch works to provide Albertans with useful, timely and clear information about Children's Services. Communications staff provide ministry and

cross-government communications planning and consulting support. They also plan and implement communications programs, provide media relations on behalf of the ministry, and provide graphic design, advertising, Internet development, and print production assistance and advice. Communications personnel also provide communication services to the Child and Family Services Authorities.

Accountability and Program Support Division

Responsible for all initiatives that report on adherence to standards and accountability, this division monitors, measures and reports program performance. The division implements quality assurance activities, including the setting of provincial standards and managing case reviews, and the relationship with outside agencies that do reviews and accreditation checks. Staff in the Accountability and Program Support Division provide support to CFSAs, Family and Community Support Services (FCSS) programs, and other community partners by offering guidance and expertise in accountability and program delivery. They also manage provincial programs.

Partnership and Innovation Division

The Partnership and Innovation Division analyzes trends in research and develops and evaluates strategies and programs that enable the ministry to lead the province and country in effective policy and programs for Alberta's children and youth. The division builds partnerships with federal and provincial ministries and authorities, community agencies and organizations, educational institutions and other governments (including First Nations) and the corporate sector. To support program and policy development, staff work within the ministry to provide research services, gather and disseminate information and evaluate provincial programs. The division is responsible for the ministry's role in the development of joint accountability and policy coordination through the Alberta Children and Youth Initiative and the Aboriginal Policy Initiative.

Strategy and Support Services Division

As well as implementation and support systems, this division provides strategic operational support to the ministry's policy and program development and service delivery. The division is responsible for the business planning and corporate strategic operations of the ministry; performance measurement and reporting strategies across the ministry; provision of legal advice, legislative planning and support to the *Child Welfare Act* Review; and, coordination of the financial planning, budgeting, analysis and monitoring processes for the ministry. Responsibilities also include: the coordination of effective human resource strategies and initiatives; the management and coordination of data resources, information systems and technology infrastructure; and the provision of advice in the areas of the *Freedom of Information and Protection of Privacy Act* and records management.

Ministry core businesses

Recognizing the crucial role parents play in the development and welfare of a child, the Government of Alberta has committed to providing parents and caregivers the supports they need to succeed. This is done by legislating that children's services are a responsibility shared between parents, communities, Child and Family Services Authorities (CFSAs), childcare practitioners, other levels of government, and the public.

The following core businesses, goals and outcomes reflect this shared responsibility and the commitment the ministry shares with municipalities through FCSS, First Nations and Metis settlements through CFSAs, and Delegated First Nations Agencies (DFNAs), to achieve positive outcomes for Alberta children and families.

Within this system of shared responsibility and co-operation, Alberta Children's Services, under the direction of the minister, takes the lead in three core businesses.

Core business 1:

Promoting the development and well-being of children, youth and families

Children's Services works with ministry partners to increase the ability of children to have a healthy start in life and the opportunities they need to learn, grow, excel and achieve their potential. Outcomes are:

- Children and youth are physically, emotionally, socially, intellectually and spiritually healthy
- Children and youth meet individual developmental milestones

Core business 2:

Keeping children, youth and families safe and protected

The ministry will promote the ability of families to provide safe and nurturing environments for their children's development and transform child welfare to improve outcomes for children and families. Outcomes are:

- Children, youth and families at risk overcome their circumstances
- Children, youth and families are safe, healthy and self-reliant
- Children and youth in need are protected from abuse
- Children and youth in government care are placed in secure, life-long relationships and stay connected to family and community

Core business 3:

Promoting healthy communities for children, youth and families

The ministry will strengthen the capacity and self-reliance of communities, including aboriginal communities, to plan and deliver services to meet the needs of children, youth and families. Outcomes are:

- Aboriginal communities have the capacity to meet the needs of children, youth and families
- There is a reduced percentage of aboriginal children represented in the child welfare caseload

- Aboriginal children, youth and families receive culturally appropriate services
- Communities are responsive to the needs, values and cultures of children and their families
- Children, youth and families have opportunities to participate in decisions that affect them
- Albertans are aware of and involved in addressing issues faced by children, youth and families

Key factors that influenced performance over the past year

Outcomes focus

As a result of work through the Provincial/Territorial Directors of Child Welfare, a standard set of outcomes in child welfare has been agreed upon. Alberta Children's Services has established a system to measure the effectiveness of child welfare services to improve child safety, well-being, permanence and family and community support.

Legislative changes

The introduction of the *Child Welfare Amendment Act* reflects an emphasis on early intervention, preservation of the family and involvement of the community in meeting the needs of children that is already resulting in vulnerable or at-risk families being provided with supports before, during and after their involvement with child welfare services.

The new *Family Support for Children with Disabilities Act* reaffirmed the focus of services to support the family and set the stage for greater emphasis on family involvement.

Partnerships and collaboration

Through the Alberta Response Model (ARM), there has been increased involvement of communities in the care of children. As a result of providing supports earlier, fewer child welfare crisis intervention services are needed.

Collaborative planning is resulting in increased access to early intervention and prevention services, which in turn provide supports to children and families before, during and after involvement with child welfare services.

Children's Services is involved in four cross-ministry, priority policy initiatives identified by the Government of Alberta. Children's Services is the lead ministry in overseeing implementation of the Alberta Children and Youth Initiative (ACYI) and is a partner in the Aboriginal Policy Initiative (API), the Health Sustainability Initiative (HSI), and the Economic Development Strategy (EDS).

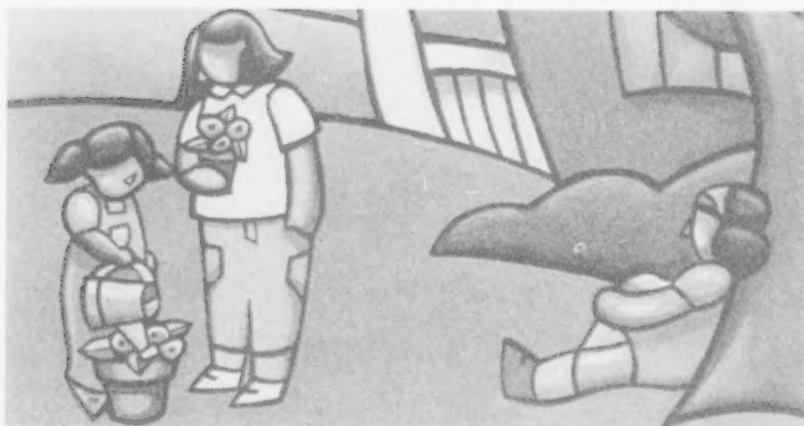
Reduction in the number of CFSAs

Discussions leading up to the reduction in the number of CFSAs have resulted in opportunities for better coordination and integration of services across CFSAs and access to a larger pool of resources for provision of services directly to the child and family.

Adoption Website

The introduction of the Adoption Website has significantly increased the awareness of, and interest in, the children available for adoption across the province. Early positive results are reflected in increased numbers of matches, increased participation in orientation sessions and increased requests for home assessments and training of adoptive families.

A Summary of Key Activities in the Past Year



As in past years, the ministry continued to take the lead in many initiatives. The implementation of the Alberta Response Model is one of the most significant in that it increases the involvement of the family and community in providing earlier supports to children and families.

In 2002-03, the Ministry of Children's Services saw a great deal of forward progress across a number of areas. Children's Services significantly advanced Alberta's agenda on the national front, led significant changes on a number of cross-ministry initiatives, changed the way it does business in a number of key areas, and set the stage for continuing to improve outcomes for children, youth and families.

Improved efficiencies

Through extensive consultation with key stakeholders, Children's Services has demonstrated national leadership in transforming its business and information technology support to improve services for children and families through three significant strategies: The Alberta Response Model (ARM), Alberta's Promise, and Child Care Accreditation.

An Adoption Website was launched by the ministry, presenting a very human face of children in need of adoption along with important information on the children, many who have special needs. Since the website launch, the ministry has significantly increased the potential for adoption of children in need of permanent homes.

The improved handling of information continued to be a key in 2002-03 with the development of an on-line child care subsidy application which will allow parents the freedom to submit and receive confirmation of their child care subsidy applications on-line. Implementation will follow early in 2003-04.

A plan for risk management was developed for use across the department and CFSAs including policy, guidelines, communication plan, and training for an integrated risk management model. Implementation is scheduled for 2003-04.

Work also began in 2002-03 to identify opportunities to align the ministry so that it is better able to support the Alberta Response Model and legislative changes in Child Welfare and Resources for Children with Disabilities.

Consultation

As a result of an extensive consultation process linked to the *Child Welfare Act* review, two new pieces of legislation have been developed to improve services to children, youth and families—the *Child Welfare Amendment Act* and the *Family Support for Children with Disabilities Act*.

Through the Youth Secretariat and Youth Advisory Panel, the ministry received key input on policy and regulatory changes impacting youth.

Last year, Alberta Children's Services worked with university and community partners to lead the development and launch of the Alberta Centre for Child, Family and Community Research. The Centre is an independent, public-private partnership that will promote multi-disciplinary research in the area of child, family and community well-being.

Program initiatives

As in past years, the ministry continued to take the lead in many initiatives. The implementation of the Alberta Response Model is one of the most significant in that it increases the involvement of the family and community in providing earlier supports to children and families.

As well, Children's Services led with the implementation of Alberta's Early Childhood Development Initiative, which reflects a long-term commitment by the federal, provincial and territorial governments to improve and expand the supports available to young children and their families. It recognizes the importance of a child's early years to their future development, looking at priority investments including: promoting healthy pregnancy, birth and infancy; improving parenting and family supports; strengthening early childhood development learning and care; and, strengthening community supports.

The ministry's Fetal Alcohol Spectrum Disorder (FASD) prevention activities have been recognized nationally and are being used as a model in other provinces.

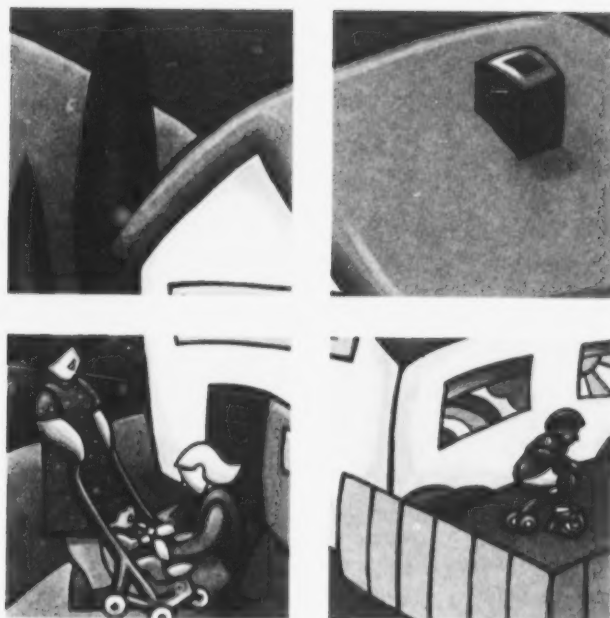
As well, the ministry led the development and implementation of an accommodation planning and implementation framework for Children's Services in partnership with Alberta Corporate Service Centre and Alberta Infrastructure, which will be the prototype for accommodation planning across government.

Privatization and partnerships

This past year, ARM has inspired a variety of community partnerships expected to increase opportunities for diversion of potential child welfare cases to community-based programs and services.

Through the *Premier's Council on Alberta's Promise Act*, the stage has been set for cooperation among the corporate sector, communities, not-for-profit organizations and governments to increase resources for programs benefiting Alberta's children and youth.

As well, a ground-breaking partnership with Grant MacEwan College has made it possible for core, mandatory employer-based child welfare training for front-line staff to be outsourced. This training includes competencies required for implementation of the Alberta Response Model and is designed to take a flexible delivery approach, making it accessible to all staff of the ministry.



Results Analysis

Message from the Deputy Minister



The 2002-03 fiscal

year was a year of great changes

and great accomplishments for

the Children's Services Ministry.

We took a very analytical look

at our service delivery system and prevention programs and came up

with innovative approaches that will further enhance outcomes for

Alberta's children, youth and families.

These innovative approaches include further implementation of the Alberta Response Model, a new child care initiative, a mandatory Child Welfare Training program and partnership development with the private sector.

Our new child care initiative consists of \$4.6 million going toward a child care centre accreditation program which is helping to improve standards and promote excellence in child care, as well as helping families select the best child care setting for their children. We allotted \$900,000 for family respite options in order for families to access child care while they attend training or utilize other community resources for parenting help. The remaining \$90,000 is being used to enhance nutritional programs in child care settings.

At Children's Services we understand that investing in our people is one of the best things we can do for Alberta's children, youth and families. The success of the ministry is directly reliant upon its staff – the people at the heart of our organization who work so tirelessly on behalf of children, youth and families everyday. We believe that concentrating efforts on their training and development will result in lasting success.

This year the department partnered with Grant MacEwan Community College to deliver child welfare training. The Child Welfare Training program is mandatory for all new child welfare workers. It is also available to current staff wanting to enhance or refresh their skills in a specific area. The program consists of eight modules that cover

At Children's Services we

understand that investing in

our people is one of the best

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children, youth and families.



orientation, professionalism and ethics, legal/court, childhood development, permanency and concurrent planning, fetal alcohol spectrum disorder, community capacity, and applied suicide intervention skills.

As part of our continual efforts to raise awareness and prevent Fetal Alcohol Spectrum Disorder, Children's Services entered into a unique partnership with the Alberta Liquor Store Association. The initiative, implemented in liquor stores across Alberta, featured an educational three-poster display promoting non-alcoholic beverage choices during pregnancy. The initiative was so successful that these displays continue to be used in liquor stores across Alberta.

In our work we see many vulnerable children and youth who need support and guidance for a healthy beginning so they can have a healthier future. We know the difference an adult can make in the lives of children and young people.

In September 2002, Children's Services entered into a partnership with Big Sisters and Big Brothers of Edmonton and area, AADAC, the Alberta Mental Health Board and other mentoring agencies. The goal of this partnership was to add 300 new mentors in the Edmonton Region

by March 2003. In fact, nearly 435 adults have applied to become mentors.

I am extremely proud of the work being done by staff, agencies, Family and Community Support Services, for the successes they have achieved this year. Because of their hard work and dedication, Children's Services received top marks for performance related to the goals of our 2002-03 business plan, and the highest score possible for our work and leadership on the Alberta Children and Youth Initiative. This cross-ministry initiative demonstrates the tremendous benefits for children when we work together.

Children's Services is still a developing ministry with much work to do in the future, but with the expertise and talent we have on our team, I know we are ready to meet these challenges.

Paula Tyler
Deputy Minister

The Alberta Response Model

Under the minister's leadership, Alberta children's

Services, community partners and Family and Community Support Services

have significantly changed the way services are delivered to children and

families in the province. The Alberta Response Model (ARM) was developed

and implemented as a new way for the ministry to work to ensure positive

outcomes for the children, youth and families of Alberta.

Changes made under this model include the use of differential response case management, increased permanency planning (including an adoptions website), a stronger emphasis on parental responsibilities supported through programs, and the evaluation of child-centered outcomes.

To help coordinate and evaluate the numerous Alberta Response Model activities, the University of Calgary conducted an implementation evaluation and shared the preliminary results with the ministry and partners. This evaluation will assist in ensuring the consistent application of the model, leading to accountable, outcome-focused practice across all Child and Family Services Authorities (CFSAs).

Measurable reductions were seen across Alberta in our child protection caseload. Although these findings are preliminary, we believe Alberta Response Model activities have helped decrease child welfare caseloads, while increasing permanent placements and the number of families receiving community-based programs and services that build on family strengths.

Throughout Alberta, Child and Family Services Authorities and FCSS worked to identify local needs and solutions. The ministry supported a regional support team for CFSAs, a differential response work team to articulate work processes for both family enhancement and child protection case management, and an outcomes team to advance child-centered outcomes evaluation and quality assurance. In addition, important links were made between the *Child Welfare Act* review and the Alberta Response Model implementation to ensure consistency in the development of new law and policies.

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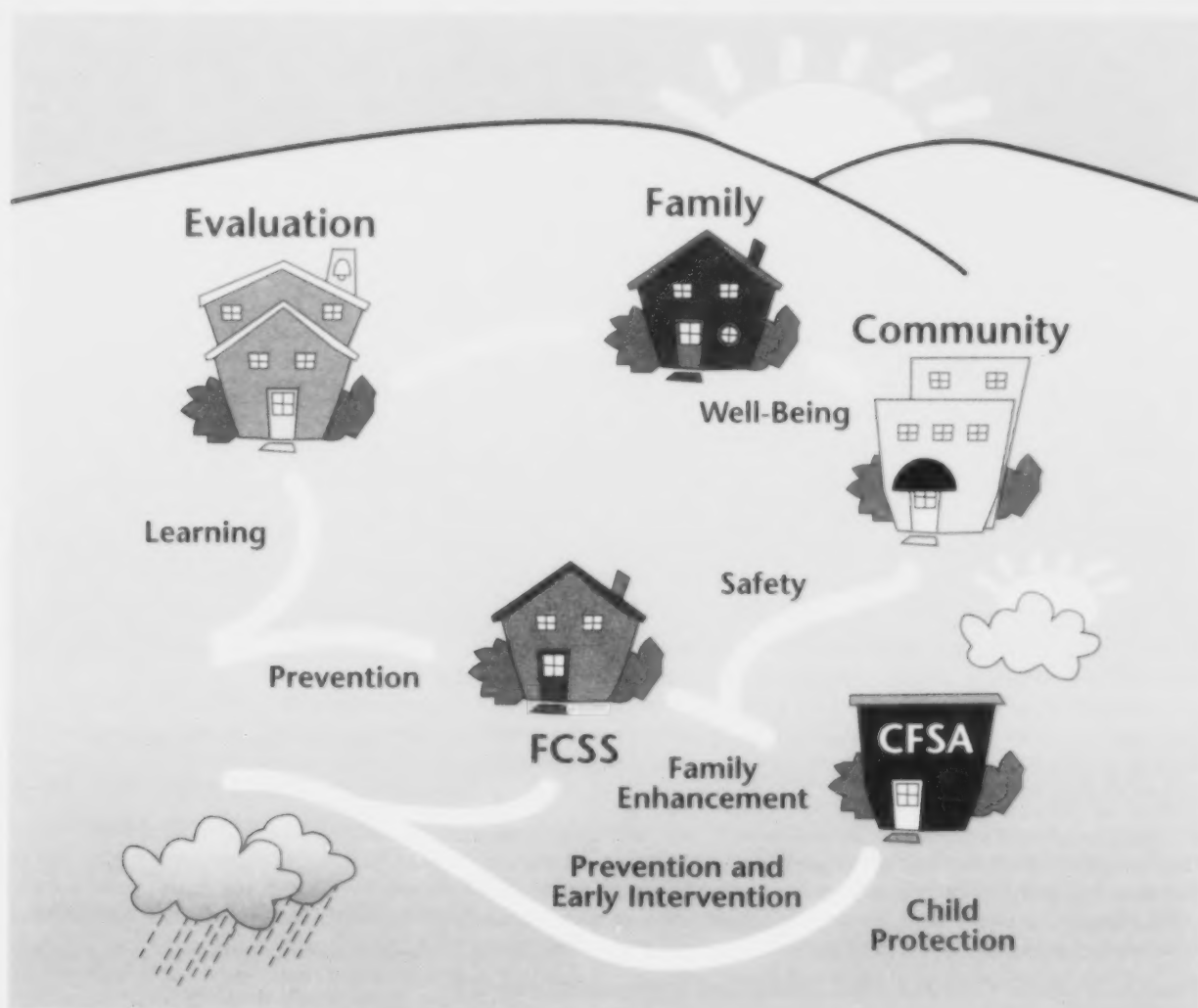
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on family strengths.



In October 2002, Ma'mōwe Capital Region CFSA was the first region to officially launch the Alberta Response Model with Diamond Willow CFSA and Calgary Rocky View CFSA following in the spring of 2003. All other regions have reported significant changes consistent with the model's guiding principles and framework. Training for staff was provided on a regional basis, and a provincial competency-based training initiative is being developed.

It has been an exciting year with significant milestones met in the Alberta Response journey. Transformational change continues and the Alberta Response Model is a genuine success story. As such it remains a top priority in the 2003-06 Ministry Business Plan.

Highlights - Child and Family Services Authorities



The following provides highlights of child and Family Services Authorities (CFSAs) results. For more information about CFSA results, please refer to their individual 2002-03 annual reports.

Prevention and preservation

Sun Country (Region 1) established a youth in transition committee whose purpose is to educate and evaluate transitional services to youth, ages 16-24. There are 21 agencies and organizations sitting as members of the committee.

Southeast Alberta (Region 2) implemented a family functioning assessment tool to determine supports that will provide for seamless provision of services to families. The tool supports congruent planning for children and families, focusing on strengths, parental involvement and the family's ability to address the needs of the child.

Windsong (Region 3) has been referring non-high risk cases, involving children aged zero to six to the Wild Rose Home Visitation Program. This enabled children at risk to receive help earlier, less intrusively, more effectively, and without the stigma that can be associated with child welfare involvement.

Metis Settlements (Region 18)

implemented a kinship care

program that focuses on

providing appropriate supports

to families preferring to keep

children in their community

with their families or extended

families.

Calgary Rocky View (Region 4) implemented a new case management model that provides a differential response for children in need of protection and their families. It includes a family enhancement program and a core protection program. In the family enhancement program, 247 files were opened by early March 2003. Feedback from parents receiving service in this program has been positive.

Hearthstone (Region 5) developed and implemented a new partnership with Human Resources and Employment to provide educational, career and employment counseling for youth in care. Further, a new framework for differential response was developed, unique to the needs of small rural communities.

Diamond Willow (Region 6) developed a self-audit tool and process for reviewing active files for children, ages 15-19, in care, resulting in the identification of more appropriate resources within the community to meet the needs of these children.

Ribstone's (Region 7) early support program continued to provide early supports, as well as after care supports, to enhance the preservation and ongoing functioning of families. Over 40 families were provided these services this year.

West Yellowhead (Region 8) shifted the focus of its early intervention and early childhood development services to children and families at high risk for child welfare involvement. The West Yellowhead child protection caseload dropped 4.2 per cent from the prior year and the trend of increasing caseloads reversed for the first time in years.

Keystone (Region 9) implemented four early childhood development initiatives - early education centre, home visitation, Fetal Alcohol Spectrum Disorder (FASD) program, and family enrichment program - in collaboration with four community partners and five Family and Community Support Services (FCSS) entities.

Ma'mōwe Capital Region (Region 10) successfully implemented a differential response case management system that addresses low and medium risk child welfare concerns in addition to higher risk situations for families.

Sakaw-Askiy (Region 11) successfully prevented children from entering the child welfare system by using a different approach in dealing with children at low risk. Programs with FCSS, contracted agencies and family

community liaison programs kept children and families together without intrusive child welfare involvement.

Sakaigun Asky (Region 12) completed a redesign of early intervention services to child welfare diversion services. This included working intensively with parents in the family home to increase parenting and coping skills, resulting in fewer children becoming involved in the formal child welfare system.

Region 13 developed a Family Enhancement Unit to deliver family enhancement services. Several child welfare files were transferred to this unit, resulting in a number of families receiving services without needing to be placed in the more intrusive child welfare system.

Region 14 developed a life skills program to prepare youth in care for independent living. The program covers a wide range of skills, is client driven, and provides measurable outcomes for continuous improvement and evaluation.

Neegan Awas'sak (Region 15) developed a family centre in an aboriginal community, based on family and cultural values and with a focus on prevention and support to families before crisis.

Awasak (Region 16) completed a framework and put in place a service provider to pilot family group conferencing.

Silver Birch (Region 17) assessed child welfare practices and established new guidelines to increase parental involvement. Worksite standards were also developed to improve emphasis and planning for youth in transition.

Metis Settlements (Region 18) implemented a kinship care program that focuses on providing appropriate supports to families preferring to keep children in their community with their families or extended families.

Protection and permanency planning

Sun Country (Region 1) established a permanency planning committee in Spring 2002. The committee has provided feedback on regulations and policy and has recommended changes to assessment tools that better focus on permanency planning.

Southeast Alberta (Region 2) approved a regional adoption model in June 2002 and implementation is underway. The region also partnered with McMan Youth Services to increase awareness and recruitment campaigns for both adoptive and foster homes.

Windsong's (Region 3) continued focus on increased permanency planning and adoption of children needing a new home resulted in nine adoptions being finalized.

Calgary Rocky View (Region 4) piloted a new partnership with contracted foster care agencies to enhance the kinship care program. The kinship care program supports extended families in caring for children in need of care. In the past year, over 100 children were placed in the care of their extended families.

Hearthstone's (Region 5) development of an adoption-related monitoring and tracking tool, implementation of new safety standards, and an emphasis on case conferencing have improved case management and permanency planning.

Diamond Willow's (Region 6) intensified effort to find adoptive homes for children in care resulted in inquiries from potential adoptive parents more than tripling over a one-year period. A locally developed "foster to adopt" program resulted in twice the number of placements of children from previous years.

Ribstone (Region 7) placed 25 children for adoption this year through a continued focus on providing permanent and loving homes for children. Post adoption services have been effective in strengthening families with special needs placement.

West Yellowhead's (Region 8) increased focus on permanency planning resulted in a 58 per cent increase in its number of adoptions.

Keystone (Region 9) conducted a full case review of all children in permanent guardianship to ensure permanency plans were in place. The region also facilitated case conferencing and planning on behalf of aboriginal children with four bands of Hobemma.

Ma'mōwe Capital Region (Region 10) established a family-based conferencing process that supports broad discussions with children, youth, families and

communities to plan for the long-term needs of individuals and family groups.

Sakaw-Askiy's (Region 11) child protection staff and adoption staff worked at finding permanent homes for children in care, resulting in 12 adoptions being finalized.

Sakaigun Asky (Region 12) sponsored research on best practices for family group conferencing to further develop the current family group conferencing delivery model. A regional communication plan was also established, resulting in 20 new adoptive applications received this year.

Region 13 increased emphasis on permanency planning and on exploring family placement options, placement with extended family and culturally appropriate foster placements. The region increased reconciliation of children with extended family and with aboriginal communities.

Region 14 conducted a review to ensure permanency planning was in place for all youth in care. Staff resources to support and monitor permanency planning were put in place.

Neegan Awas'sak (Region 15) established a permanency planning team to focus on finding permanent placements for children. The region also developed a family group decision making program.

Awasak (Region 16) developed a permanency planning tracking system that includes the identification of a permanent placement. The region also developed a process for improving the quality of gaining Band consent for adoptions of aboriginal children under permanent guardianship.

Silver Birch (Region 17) reviewed casework processes and practices to improve permanency planning for youth in care. Adoption processes were reviewed and strategies developed to increase adoptions. A kinship care model is under review.

Metis Settlements (Region 18), in partnership with the Metis Nation of Alberta, established a Metis adoption program that assures Metis children have the opportunity to be adopted by Metis families.

Partnerships

Sun Country (Region 1) established a community-based committee focused on helping aboriginal children in care maintain connections to their culture and identity.

Southeast Alberta (Region 2) partnered with McMan Youth Services and the federal government to establish the INN Between Youth Shelter. This partnership provided a viable option for interventions in parent-teen conflict situations and reducing the need for formal child protection interventions.

Windsong (Region 3) worked collaboratively with partners at all levels within the community to ensure that the community was aware of and involved in the Alberta Response Model.

Calgary Rocky View (Region 4), in conjunction with the Calgary Health Region, Community Pediatricians, and the Society for the Treatment of Autism, developed a collaborative model of service for autistic children. The model focuses on ensuring equitable, affordable care for autistic children and will be piloted over the next year.

Hearthstone (Region 5) continued to actively work with the Hearthstone Foster Parent Association and the Association of Families with Special Needs Children to improve quality of service to children in care and children with special needs.

Diamond Willow (Region 6) participated with a group of service providers, brought together by Family and Community Support Services (FCSS) and Neighbourhood Place in Olds and Sundre to create integrated parenting sessions as part of the region's early childhood development initiative.

Ribstone (Region 7) implemented protocols with Health and Mental Health, which provided improved and coordinated services to special needs children and children and youth at risk. The region continued to implement prevention and preservation services through partnerships with FCSS.

West Yellowhead (Region 8) engaged many partners in the development of early childhood development programs, early intervention programs, and child welfare contracted programs.

Keystone (Region 9) partnered with the Ermineskin Band of Hobemma to deliver the second annual Feast and Round Dance at Hobemma, a Keystone commitment to honour children in support of their aboriginal culture.

Ma'mōwe Capital Region (Region 10) launched "Generations Family Enhancement Program", a service delivery project within community agencies and local schools. This project involved a staff group delivering family enhancement services out of a local aboriginal service delivery agency.

Sakaw-Askiy (Region 11) continued to partner with Health, FCSS, AADAC, schools and agencies to enhance and integrate services.

Sakaigun Asky (Region 12) initiated a forum with FCSS partners. The forum focused on the Alberta Response Model and how the region can work together with FCSS in providing services to children and families.

Region 13's regional Early Childhood Services plan was developed and supported by FCSS partners, women's shelters, and aboriginal agency representation. The region also established a protocol with the Western Cree Tribal council and supported five Elders' Gatherings.

Region 14 continued to support the Community Resource Centre in Manning and has collaborated with FCSS to establish a similar centre in the Peace River and the Smoky River areas.

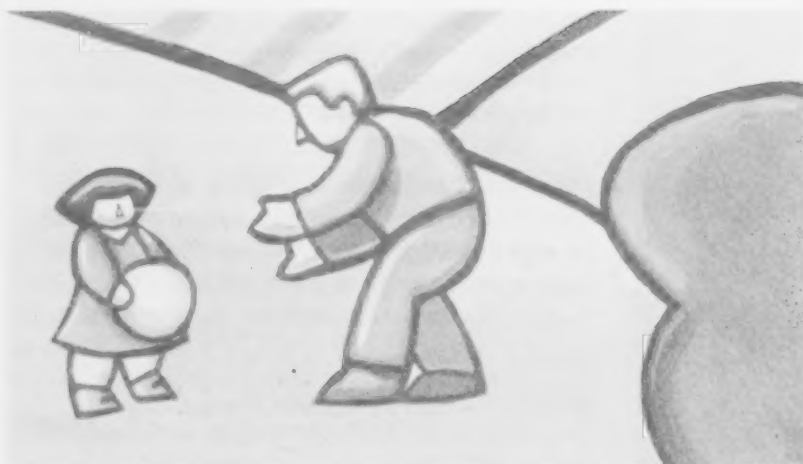
Neegan Awas'sak (Region 15) developed three partnership councils to address issues and services for children and families. These councils were composed of representatives from Alberta Health and Wellness, FCSS, RCMP, AADAC, schools, agencies and the community.

Awasak (Region 16) initiated and supported a cross-sector committee, engaged to act as a steering committee for all regional partnership initiatives such as early childhood development, home visitation and FASD.

Silver Birch (Region 17) developed and implemented a communication plan to inform the community about ARM. A community case conferencing model was developed in conjunction with Mental Health.

Metis Settlements (Region 18), in partnership with schools and communities, administered an early development instrument to assess learning gaps in kindergarten Settlement children.

Cross-Ministry Initiatives



Issues related to children and youth are long standing and highly complex and cross the boundaries of several ministries. No single department can ensure success on its own.

Cross-ministry initiatives are an essential part

of the Government of Alberta's corporate-wide agenda and three-year

business plan. They help the Government of Alberta work toward an

integrated set of corporate-wide policy results that stretch beyond the

mandate of each individual ministry.

Through the cross-ministry initiatives, ministries work together toward common policy objectives to ensure that their programs and services are aligned with the government-wide agenda and are effective in meeting the priority needs of Albertans without overlap, duplication or contradictory policies.

Cross-ministry initiatives involve coordination across ministry business plans and alignment with the Government of Alberta's three-year business plan. The 2002-03 priority policy initiatives as prioritized by the Government of Alberta were:

- the Alberta Children and Youth Initiative;
- the Aboriginal Policy Initiative;
- the Health Sustainability Initiative; and,
- the Economic Development Strategy.

For each initiative, there is a purpose and a set of objectives and targets which are reviewed, measured and included in the annual report for the Government of Alberta. The following information reports on Children's Services role in these initiatives.

The Alberta children And Youth Initiative (ACYI)

ACYI is a partnership of government ministries working together on issues affecting children and youth. Partners include Children's Services, Learning, Health and Wellness - AADAC and the Alberta Mental Health Board, Aboriginal Affairs and Northern Development, Community Development, Human Resources and Employment, and the Solicitor General. Its vision ensures that Alberta's children and youth will be well cared for, safe, successful at learning, and healthy.

Issues related to children and youth are long standing and highly complex and cross the boundaries of several

ministries. No single department can ensure success on its own. As the lead ministry for the ACYI, Children's Services ensured the following four priority areas were addressed and targets met during 2002-03:

Families with children and youth with complex special needs (developmental, physical health and/or mental health) will benefit from a coordinated cross-ministry approach to providing services.

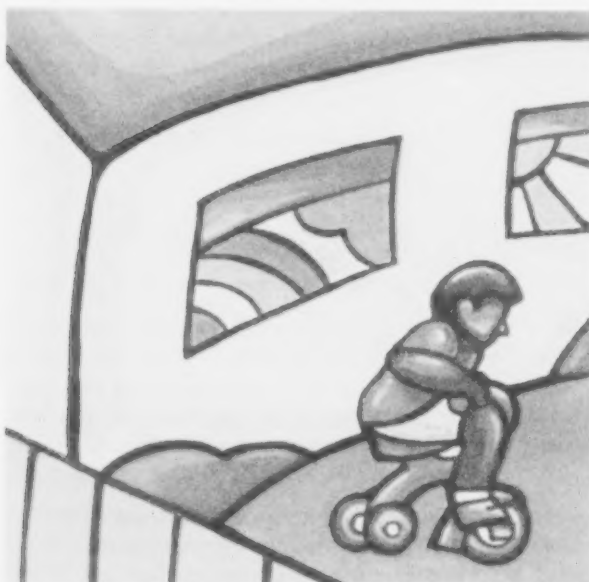
Results:

Children's Services co-chaired a cross-ministry committee, which developed a report on "Management of Integrated Services for Children and Youth with Complex Needs and their Families", and a Provincial Policy Framework for Services for Children and Youth with Special and Complex Needs. The Policy Framework identifies critical areas for managing the needs of children and youth with special and complex needs. The Policy Framework is a significant achievement that will enhance cross-ministry collaboration and is intended to improve the coordination of support services, improve access and use of services by families, and enable effective and collaborative management of services and supports. As a result, families will be better served by a more integrated, effective and responsive system.

Youth are supported and assisted in making successful transition to adulthood.

Results:

Under the leadership of the Youth Secretariat, ACYI ministries undertook a review of policies affecting youth, in keeping with the Youth in Transition Policy Framework, and to ensure youth are supported in making a successful transition to adulthood. A number of policy recommendations were developed to enhance supports to youth in order to facilitate a successful transition to adulthood. Those implemented include the development of a protocol between Children's Services and Human Resources and Employment for providing career planning and/or financial supports for youth in care.



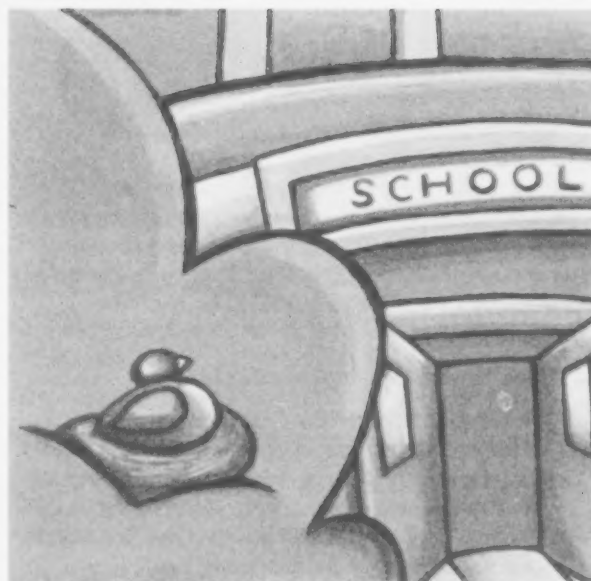
Initiatives also focused on encouraging more communities and individuals to provide mentoring supports to youth at risk. As a result of mentoring initiatives, including a mentoring public awareness and recruitment campaign, 14 communities reported a collective increase of 435 adults willing to mentor youth.

Aboriginal children and youth are provided services for a healthy start in life and are supported through a successful transition to adulthood.

Results:

Several key initiatives for aboriginal children and youth were undertaken by ACYI partners in 2002-03:

- By working with aboriginal communities to coordinate services among provincial government ministries, the federal government and service providers, 11 Early Childhood Development programs were implemented that promote the healthy birth and development of aboriginal children by addressing health/mental health and literacy needs of aboriginal children.
- Program enhancements for aboriginal youth leaving prostitution were developed in three sites, in consultation with aboriginal elders and representatives from the Metis communities.
- A Provincial Aboriginal Youth Suicide Prevention Strategy was developed which includes working with communities to build upon community resources and provide mentoring support to high risk aboriginal youth; broadening awareness and providing education about suicide prevention and how to seek help; building knowledge through research and evaluation to inform future planning; and providing training that promotes suicide prevention, relationship building and community mobilization.



Duplication of partnerships at the regional level are minimized and a transition process of ACYI initiatives to communities is established.

Results:

Children's Services led strategies to streamline existing ACYI partnerships and administrative requirements and develop a transition strategy for the long-term management of existing ACYI initiatives at the regional level. As a result of these initiatives:

Seventy-one per cent of Child and Family Services Authorities (CFSAs) reported that the planning and reporting process for ACYI initiatives has been simplified and streamlined, enabling consolidation of partnerships at the local level and greater flexibility for regions to leverage resources. Examples of streamlined reporting and flexibility to leverage resources include incorporating Fetal Alcohol Spectrum Disorder (FASD), Home Visitation and Early Childhood Development under a common framework.

Eighty per cent of ACYI initiatives have a transition strategy developed, giving greater responsibility and more autonomy to the regions for managing the initiatives.

Aboriginal Policy Initiative

The Aboriginal Policy Initiative (API) is aimed at improving the well-being and self-reliance of aboriginal people and clarifying federal, provincial and aboriginal roles and responsibilities. Children's Services co-champions this initiative with Aboriginal Affairs and Northern Development.

Children's Services accomplishments include:

- The number of First Nation children who were placed in adoption homes or returned to community care increased by 50 per cent over the previous year under the Bigstone Permanency Planning Project. Children's Services is working with other First Nations agencies to build on the success of the Bigstone Permanency Planning Project.
- There has been a 22 per cent increase, over the previous year, in the number of aboriginal children entering government care who were returned to their families.
- An increased number of agreements with First Nations societies delivering child protection are in place.
- Enhanced accountability requirements have been included in all Delegated First Nations Agencies (DFNA) agreements.

Health Sustainability Initiative

The Health Sustainability Initiative (HSI) works to enhance the sustainability of the health care system now and in the future by strengthening collaboration and coordination across ministries.

Children's Services led two of the Health Sustainability targets:

- Early Childhood Development Indicators were developed.
- Early Childhood Development strategies were integrated into the 2003-06 business plans of Ministries and Child and Family Services Authorities.

Economic Development Strategy

The Economic Development Strategy (EDS) creates a future of opportunity through ministries working together with business, industry, communities, other government and public institutions, employees and other stakeholders.

Accomplishments include:

- Children's Services participated in planning for and establishment of the Premier's Council on Alberta's Promise to actively engage corporate Alberta in optimizing the development of Alberta's children.
- Implemented a Fetal Alcohol Spectrum Disorder (FASD) partnership with the Alberta Liquor Store Association on a prevention campaign.
- Partnered with AADAC on a poster/bus/TV campaign on FASD prevention.
- Participated in the cross-ministry Labour Force Planning including developing plans for the recruitment of social workers.

Report of the Auditor General

on the Results of Applying Specified Auditing Procedures to Performance Measures



To the Members of the Legislative Assembly

In connection with the Ministry of Children's Services performance measures included in the *2002-2003 Annual Report of the Ministry of Children's Services*, I have:

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated within the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2002.

Supplemental measures

6. Agreed the information to source reports. In addition, I checked that the supporting narrative is consistent with the information.

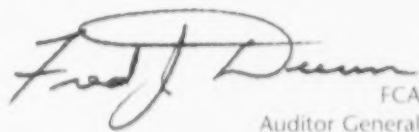
As a result of applying the above procedures, I found the following exceptions.

There was no data available for four measures stated below:

- *Percentage of community-based child care centres that provide a developmentally appropriate environment for children;*
- *Percentage of children reported to be at-risk who received supports through community resources and did not require child protection services;*
- *Percentage of children, newborn to age 11, under permanent guardianship, whose permanency plan is adoption, who were placed for adoption, which is part of the Percentage of children and youth in care who were reunited with families or placed in other stable, long-term, living arrangements measure;*
- *Percentage of aboriginal children, newborn to age 11, under permanent guardianship, whose permanency plan is adoption, who were placed for adoption, which is part of the Percentage of aboriginal children in care who were reunited with their families or placed in other stable, long-term, living arrangements measure.*

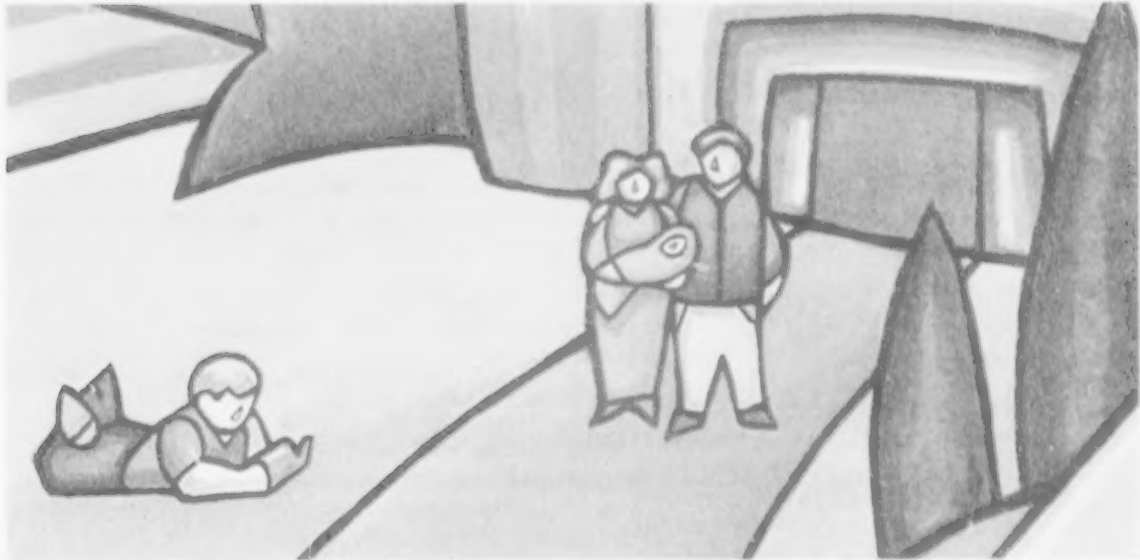
Therefore, I was not able to complete procedures 2 to 5 above for these measures.

Procedures 1 to 6, however, do not constitute an audit and therefore I express no opinion on the performance measures included in the *2002-2003 Annual Report of the Ministry of Children's Services*.


FCA
Auditor General

Edmonton, Alberta
July 25, 2003

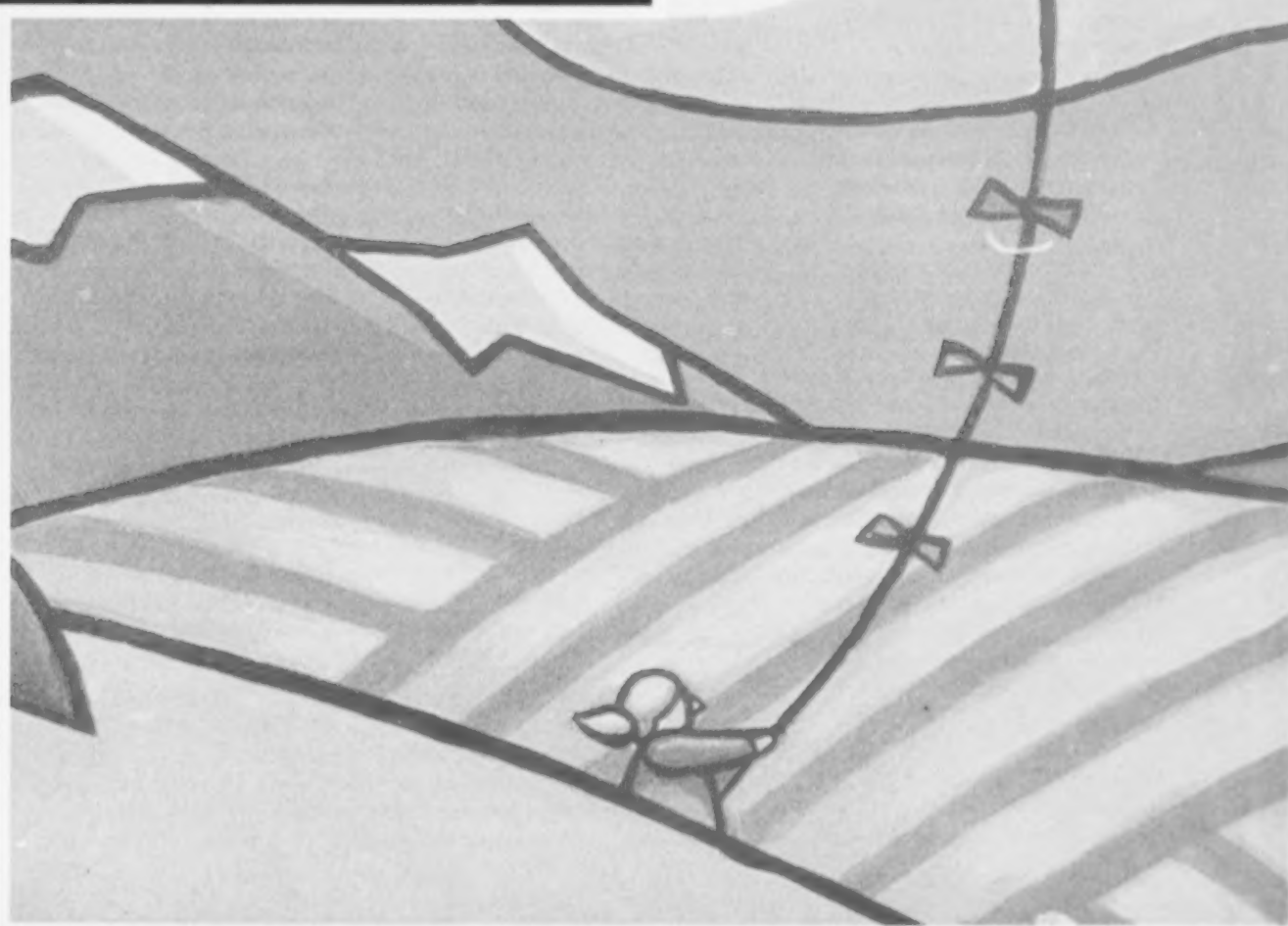
Discussion and Analysis of Results



The following section outlines the core businesses, goals, strategies, and the desired outcomes of the ministry over the past year, along with a measurement of the ministry's performance for the previous fiscal year.

Core Business One

Promoting the development
and well-being of children,
youth and families



Goal 1.1

children and youth have a healthy start in life and the supports they need to reach their potential

Promote and Strengthen Early Intervention Services For Children and Families

1.1.1 Implement provincial, regional and community early intervention strategies for children and their families.

1.1.2 Strengthen standards and best practices for child care to support parents in providing quality care for their children.

1.1.3 Continue to promote early childhood development programs in community-based child care settings to support children in developing their potential.

1.1.7 Implement a focused strategy to prevent Fetal Alcohol Spectrum Disorder (FASD), provide support to high-risk mothers, strengthen approaches for assessing and addressing the needs of children affected, and provide supports for individuals affected and their families.

Facilitate Community Supports For Children With Disabilities

1.1.4 Realign the Resources for Children with Disabilities program so that families are referred to the most appropriate support in their communities to meet the needs of children with disabilities.

1.1.5 Accelerate the development of a communication tool to assist parents, and the providers of services for children with disabilities to access community supports.

Enhance Cross Ministerial Partnerships For Children And Youth's Healthy Development

1.1.6 Lead the development of a cross-ministry framework to address the needs of adolescents, and promote community supports for youth making the transition to adulthood.

1.1.8 Continue to assist other ministries in developing a provincial mental health framework to address the mental health needs of children, including those in care (Children's Mental Health Initiative).

1.1.9 Collaborate with other ministries to review and enhance integrated health services for students with special needs (Student Health Initiative).

1.1.10 Collaborate with Alberta Science and Research Authority (ASRA) and other partners to promote policy relevant research on child, family and community issues.

Promote, Strengthen and Implement Early Intervention Services for Children, Youth and Families

Early intervention is key

A child's early experiences have the most important influence of any time in their life on how they develop as adults. Their ability to learn and cope and how healthy they will be as adults, depends greatly on how they develop as children. Early intervention programs are designed to help children, youth and families overcome at-risk circumstances and reduce the need for crisis intervention. Over the past year, Alberta's Early Childhood Development Strategy continued under the co-leadership of Children's Services and Health and Wellness.

Early Childhood Development (ECD), Home Visitation (HV) and Fetal Alcohol Spectrum Disorder (FASD) initiatives were aligned with the Alberta Response Model to ensure support for parents and families in need and to prevent future crisis intervention and child welfare involvement. With regional partners, CFSAs identified investment priorities in the areas of enhancing parenting supports and skill programs and quality programming in child care setting and preschool programs.

Preparing children

Children's Services is committed to making sure Alberta's children are ready to learn when they enter Grade 1. The ministry led two pilot projects using Early Development Instruments (EDI) and Community Mapping in consultation with regional partners to identify community strengths and gaps in support for early development.

Building on last year's efforts, the Ma'möwe Capital Region and the Metis Settlements Region piloted a community mapping process to identify resources available within the community, and an early development instrument to measure school readiness for children in kindergarten.

The first phase of a three-phase provincial screening and tracking project on the developmental progress of children from birth to age six was completed. When all phases are complete, the project will give the ministry an early warning system for when a child's development is not progressing normally. Support was also given to a

literacy-based pre-kindergarten demonstration project; the development of parent resources such as the Pregnancy to Parenting website; the development of the video "Today's Child, Tomorrow's Future"; interventions for young children of family violence; and, the expansion of Parenting After Separation programs targeted to young children and their parents.

New support for child care

To improve the quality of child care settings and help families select quality child care that meets their child's developmental needs, the Alberta Child Care Initiative was launched in December 2002. The Initiative involves three new programs that will support qualified staff recruitment and retention in child care settings, provide family support to children in child care settings before crisis and build the capacity of programs to meet children's nutritional needs.

In March 2003, a Licensing Standards and Best Practices in Child Care Manual was provided to staff who license child care programs and operators who provide direct child care services. The manual will help child care programs meet requirements set out in the Day Care Regulation and includes an Intent Statement as to why each section is important to the care and well-being of children, measurable indicators and practice standards, as well as current best practices in child care associated with each section of the Regulation.

The pre-accreditation phase of the Child Care Accreditation Program was introduced, based on a child care program's compliance to critical licensing standards and will support qualified staff recruitment and retention. The Alberta Child Care Accreditation Program will move through three phases: pre-accreditation; pilot and review of the accreditation process; and full implementation of the Child Care Accreditation Program by March 31, 2004.

The Fetal Alcohol Spectrum Disorder (FASD) campaign continues

The prevention of FASD, a lifelong disability resulting from prenatal exposure to alcohol, remained a priority for the ministry in 2002-03. The ministry continued its partnership with AADAC in the "Baby Bottles" public awareness (TV ads/posters) campaign and partnered

with the Alberta Liquor Store Association to develop a poster campaign promoting non-alcoholic alternatives. The campaign was well received and the partnership will continue to raise awareness of FASD in Alberta. The ministry also led the Canada Northwest FASD Partnership (formerly the Prairie Northern Pacific Partnership) in the development of a Fetal Alcohol Spectrum Disorder Web site and finalized a terms of reference and strategic plan for the partnership.

Funding for all regional FASD initiatives flows to regional service providers through the Child and Family Services Authority (CFSA). This has enabled integrated planning and alignment of Early Childhood Development (ECD), Home Visitation (HV) and FASD initiatives and, where possible, consolidation of existing partnership structures, particularly for programs serving children from birth to age six.

In addition to the regional projects, a number of demonstration projects are underway. Over the past year, the ministry evaluated nine demonstration projects and found that all added value to the communities in which they operate and that there is consistency between proposed and actual goals and services of the projects.

Facilitate Community Supports For Children With Disabilities

Supporting children with disabilities and their families

The Resources for Children with Disabilities (RCD) program (previously known as the Handicapped Children's Services or HCS program) provides supports to families with a child who has a disability by assisting with some of the extraordinary demands resulting from their child's disability. Through this program, the ministry provides information and referral services regarding resources in the family's community, co-ordination of RCD supports with other services as well as funding for a broad range of individualized services based on the child's extraordinary disability related needs.

To enhance the supports and services for children with disabilities, the ministry consulted with parents and developed the *Family Support for Children with Disabilities Act*. The act was introduced in the legislature in March

2003 and provides for a wide-range of proactive, family-centered supports and services.

Over the past year, the RCD program also supported CFSAs by providing best practice information, performing regional file reviews and training staff to realign authorities with policy and the program's original intent. This realignment resulted in a caseload that more consistently reflects children with a complex range of needs. RCD also played a key role in resolving a number of families' appeals for ongoing Intensive Behavioural Intervention services for their school-aged children with autism.

Consultations addressing Autism

In 2002-03, Children's Services brought together an expert panel on Intensive Early Interventions for Children with Autism to review and provide recommendations on current research and the implications for policy, programming and transition into school. The panel included experts on autism, parents and representatives from community groups, supported by technical advisors from the ministries of Health and Wellness, Children's Services and Learning.

In fall of 2002, the ministry hosted an invitational symposium on Intensive Early Intervention Services for Children with Autism which brought together a group of parents, professionals, service providers and government representatives to begin identifying priorities in planning for future policy, designing services, and promoting continuing collaboration among partnering ministries. Alberta Children's Services continues to lead efforts to promote an integrated approach to services for children with autism and their families.

Getting the information out there

The RCD program also helped with the development of an enhanced Alberta Children Services website by providing information about the program along with links to publications and other government or community disability programs and services. As well, over the past year, RCD has led the development of a new provincial information system that will improve data integrity, reporting capabilities, the ability to identify trends and support proactive service delivery to better respond to the needs of children and families.

Enhance Cross Ministerial Partnerships For Children and Youth's Healthy Development

Addressing mental health issues

Children's Services assisted Alberta Health and Wellness and the Alberta Mental Health Board in creating a provincial Children's Mental Health Framework to address the mental health needs of children. The framework was approved in principle. Using the principles of the framework, the ministry worked with the Alberta Mental Health Board to optimize how both ministries can better plan and deliver effective services for children and identify mental health service delivery issues.

Responding to children with special needs and disabilities

To help children with special health needs participate to their fullest in school, the Student Health Initiative (SHI) provides services such as speech language therapy, occupational therapy, audiology, respiratory therapy, clinical nursing, and emotional and behavioural supports. Children's Services continues to be an active partnering ministry in the Student Health Initiative. During 2002-03, under the leadership of the Alberta Children and Youth

Initiative, a transitional plan was developed to streamline regional reporting requirements and provide increased regional responsibility for the long-term management of the initiative.

Promoting research

In 2002-03, Alberta Children's Services worked with university and community partners to develop and launch the Alberta Centre for Child, Family and Community Research. The centre is an independent, not-for-profit entity operating at arms-length from government in partnership with research experts at three research universities and will promote multi-disciplinary research in the area of child, family and community well-being. The first priority for research will be the prevention of Fetal Alcohol Spectrum Disorder, with expansion to include promoting Early Childhood Development and improving outcomes for youth at risk, as resources become available.

Outcomes and Performance Measures

Outcome(s):

- Children and youth are physically, emotionally, socially, intellectually and spiritually healthy.
- Children and youth meet individual developmental milestones.

Performance Measure:

Percentage of community-based child care centres that provide a developmentally appropriate environment for children



This measure assesses the extent to which child care centres are providing a developmentally appropriate environment for pre-school children. Since the delivery of effective child care services is a partnership, this

performance measure is built on a joint learning approach involving child care centres, regional child care specialists and ministry staff.

As this was the first year of implementation for this measure, the planned sampling methodology was to collect data from 16 CFSAs (two do not have child care centres), using two internationally recognized program assessment tools – the Early Childhood Environmental Rating Scale - Revised Edition (ECERS-R) and the Infant Toddler Environment Rating Scale (ITERS). This sample was to include all child care centres from the smaller CFSAs and for the larger CFSAs, a proportional random sampling of high, medium and low priority centres. High, medium and low priority centres are based on the centre's compliance to five critical standards in place for child care centres.

The planned sampling methodology was not fully implemented. CFSAs adjusted methodology based on their respective regional needs and resources. Various factors impacted these adjustments, such as, delays in training staff on use of the assessment tool, limited staff resources, and use of the assessment tool on centres in greater need of assistance. Due to the methodology not being fully implemented, this measure will not be reported on. As this measure is in the 2003-06 Ministry Business Plan, data issues will be addressed so that the measure can be reported on in 2003-04. Information that was collected this fiscal year provided some insight into how to address these issues.

Supplemental Information

To assess the overall child care centre environment children, child care specialists did use the Early Childhood Environmental Rating Scale - Revised Edition (ECERS-R) and the Infant Toddler Environment Rating Scale (ITERS) assessment tools throughout the fiscal year. Between April 1, 2002 and March 31, 2003, child care specialists completed either an ECERS-R or ITERS assessment on 177 out of 514 child care centres. (Note: child care centres are licensed day cares.) These tools provide a score that gives a comprehensive picture of the quality of care being provided. At the point a child care centre reaches a score of five or more, it is considered to be providing a developmentally appropriate program.

The chart on the previous page shows data for the fiscal year. For each score range, the chart provides a breakdown of the number of child care centres whose overall score fell within that range.

This data provides useful

information to identify and support quality improvements for providing developmentally appropriate environments.

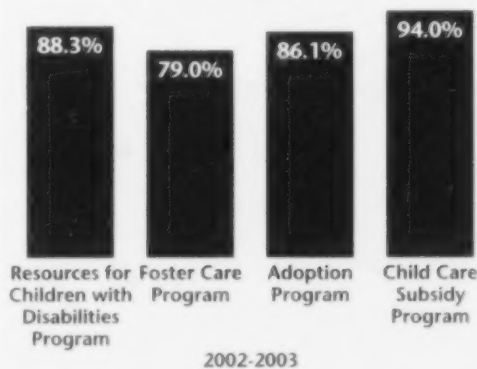
Performance Measure:

Percentage of families accessing ministry programs who indicate positive outcomes for their children

One key outcome indicator for how programs and services are performing involves feedback from the users of those programs and services. This measure involves

Families accessing ministry programs who indicate positive outcomes for their children

Target: 85%



Data Source:
Resources for Children with Disabilities Survey, 2003;
Foster Care Program Survey, 2003;
Adoption Program Survey, 2003;
Child Care Subsidy Program Survey, 2002
External Contractor, Alberta Children's Services

client surveys of key ministry programs where clients can provide feedback on their satisfaction with services received and their perception of the program's impact on their family.

Data for this measure is from client surveysⁱ of four program areas: Resources for Children with Disabilities, foster care, adoption, and Child Care Subsidy. Surveys are conducted in cooperation with the Child and Family Services Authorities.

Results are based on a question included in each of the four 2002-03 program surveys. Each result reported is the sum of the responses "strongly agree" and "agree" to the survey question. The target for each program survey result is 85 per cent.

(1) Resources for Children with Disabilities Program

The result reported is in response to the question: "Overall, the services provided to you by the Resources for Children with Disabilities program have had a positive impact on your child". As indicated in the chart on the previous page, 88.3 per cent of respondents agreed that services offered through Resources for Children with Disabilities had a positive impact on their child.

(2) Foster Care Program

The result reported is in response to the question: "The services provided to you by the foster care program have had a positive impact on your foster child". As indicated in the chart on the previous page, 79.0 per cent of respondents agreed that their foster care child had been positively impacted by the foster care program. This result is slightly below the target of 85 per cent. Results of the foster care program survey noted that foster parents were not fully satisfied with information provided at the time of child placement, particularly regarding information about the child's service plan and the child themselves and his/her family. This may have contributed to not meeting the target.

(3) Adoption Program

The result reported is in response to the question: "Overall, would you agree that the services provided to you by the adoption program have had a positive impact on your adopted child or the child placed in your care?". As indicated in the chart on the previous page, 86.1 per cent of the clients who had an adopted child in their care agreed that their child had been positively impacted by the adoption program services.

(4) Child Care Subsidy Program

The result reported is in response to the question: "Please indicate your degree of agreement with the following statement: The Child Care/Daycare Subsidy Program has had a positive impact on my child/children". As indicated in the chart on the previous page, 94.0 per cent of respondents agreed that the Child Care Subsidy program had a positive impact on their child.

These client surveys are conducted every two years. The measure will be reported on again in 2004-05.

ⁱ For methodology, see Appendix 2: Performance Measures - Data Sources and Methodology.

Core Business Two

Keeping children,
youth and families safe
and protected.



Goal 2.1

Families will be safe, healthy, and able to promote children's development

Build Community Capacity In Supporting Families And Children At Risk

2.1.1 Develop and implement an Alberta Response Model that will engage community-based resources, with emphasis on Family and Community Support Services to help families at-risk effectively care for their own children so they will not need protective services.

2.1.2 Build on and strengthen the range of community-based parent resources and resiliency supports for children, parents and families, particularly mentoring programs.

2.1.3 Continue to implement home visitation and parenting skills programs, particularly for parents of young children and families at-risk.

2.1.4 Continue to pilot and implement mobile community response teams to assist children, youth and families in crisis.

Increase Awareness of Family Violence Prevention And Supports

2.1.5 Increase stakeholder awareness about the *Protection Against Family Violence Act* and family violence prevention strategies.

2.1.6 Together with Health and Wellness and other partners, develop and implement treatment programs for children who witness family violence, victims of family violence, and perpetrators.

2.1.7 Continue to support the provision of women's shelters for victims of family violence.

2.1.8 Work with Justice and other partners in the reform of family law.

Build Community Capacity In Supporting Families and Children At Risk

Community-based supports

Early Childhood Development (ECD), Home Visitation (HV) and Fetal Alcohol Spectrum Disorder (FASD) initiatives strengthen the ability of communities to deliver services that support children and their families and reduce the need for child protection services. In 2002-03, these initiatives were brought under a common framework and aligned with the Alberta Response Model to ensure parents and families have the necessary resources to prevent crisis intervention and child welfare involvement.

Child and Family Services Authorities (CFSAs) received funding and were granted the flexibility to allocate the funding between the three initiatives to meet the individual demands of each region. Working with regional partners (Family and Community Support Services, Regional Health Authorities and School Authorities), CFSAs then developed service plans that identified investment priorities for each initiative and proceeded with implementation.

Home visitation

In 2002-03, Home Visitation programs supported over 1,000 families representing over 1,200 children birth to five years of age across Alberta. As well, Invest In Kids core train-the-trainer sessions were given to 50 home visitors and early childhood development specialists to create a sustainable in-province bank of trainers, expand delivery of training and improve the quality of home visitation services in Alberta.

Helping parents become better parents

Based on regional priorities, a number of CFSAs supported expanded peer mentoring for parents and helped strengthen the network of organizations providing resources to parents. Programs include parent resource centres, parenting skills programs in rural and isolated areas, and development of parenting information and parent-child literacy programs. Other supports included

expansion of the Parenting after Separation Program for parents and children dealing with separation and divorce; development of an education program for families who struggle with poverty and/or homelessness; exploration of opportunities to enhance parent/family resource centres, and the implementation of the Pregnancy to Parenting website under www.child.gov.ab.ca.

Co-ordinating community response

In 2002-03 the ministry continued to focus on providing better co-ordinated community-based emergency and crisis services. The crisis intake and mobile response team component of the Calgary project continued to operate during the 2002-03 fiscal year. The next phase identified by Calgary Rocky View CFSA as "building community capacity" has been targeted for implementation in 2003-04. Ma'mowe Capital Region CFSA implemented a crisis intake and mobile response team in October 2002. Planning for phase two is scheduled for 2003. A two-stage evaluation of the Calgary/Edmonton pilot projects was undertaken during the latter part of the 2002-03 fiscal year. An analysis of the rationale, design and implementation of the pilot projects was completed during this fiscal year. The effectiveness of each pilot will be evaluated in 2003-04.

Increase Awareness of Family Violence Prevention and Supports

Continued protection

In 2002-03, the ministry continued to raise awareness of the *Protection Against Family Violence Act* and family violence prevention strategies that help people affected by family violence. Over 2,000 people across Alberta have been trained in the use of the *Protection Against Family Violence Act*; 1,400 of those are police, 500 are people in the community, and 300 are child welfare workers.

As well, an interdepartmental committee chaired by the Alberta Mental Health Board completed a provincial treatment framework to help victims and perpetrators of family violence. The Provincial Treatment Framework was approved by the Partnering Deputies Committee and Standing Policy Committee.

Children's Services has worked in collaboration with the Ministry of Justice to ensure that Children's Services perspectives were incorporated in the development of the family law reform initiative. Children's Services also ensured alignment between proposed amendments to the *Child Welfare Act* and family law reform proposals.

Outcomes & Performance Measures

Outcome(s):

- Children, youth and families at risk overcome their circumstances.
- Children, youth and families are safe, healthy, and self-reliant.

Performance Measure:

Percentage of children reported to be at-risk who received supports through community resources and did not require child protection services

This measure is not being reported on due to data problems and because the Alberta Response Model, to which this measure refers, was not fully implemented during the reporting period.

Family Enhancement cases of 10 of 11 Mamōwe Capital Region CFSA Neighborhood Centres for Children, Youth and Families (NCCYFs)

928

October 2002 to March 2003

Data Source:
Ma'mōwe Capital Region CFSA Family Enhancement Tracking Logs
Alberta Children's Services

It is carried forward in the 2003-06 Ministry Business Plan and will be fully reported on for 2003-04, as the data problems have been resolved and full implementation is expected.

Supplemental Information

The Alberta Response Model (ARM) provides differential response to families that come into contact with child welfare. In addition to child protection services, ARM-based programming features a differential response stream

that connects families assessed to be at low to medium risk with appropriate community resources. This differential response allows families to resolve identified issues before they escalate to the level that requires costly, intrusive statutory child protection attention.

This supplemental information is intended to speak to the extent to which families in contact with child welfare

are referred, on intake, to the differential response provision of ARM rather than to child protection services.

Because Ma'mōwe Capital Region CFSA (Region 10 - Edmonton and Area) fully implemented differential response beginning Oct. 1, 2002, it was selected as the sole source of data for testing the measure.

From Oct. 1, 2002 to March 31, 2003, 928 families were recorded as Family Enhancement (differential response) cases served by 10 of the CFSAs

New Child Protection Cases Opened at 10 of 11 Mamōwe Capital Region CFSA NCCYFs

1,272

October 2002 to March 2003

Data Source:
Child Welfare Information System
Alberta Children's Services

11 Neighborhood Centres for Children, Youth and Families (NCCYFs). For the same period, these same NCCYFs recorded 1,272 new child protection files opened.

In comparing the periods of October 2001 to March 2002, and October 2002 to March 2003, there is a 10.4 per cent reduction in child protection caseload in the Ma'möwe Capital Region CFSA.

Performance Measure:

Percentage of families at-risk who indicate that the community services received helped preserve the family and improve family well-being

As in the previous measure, this one also speaks to the differential response approach of the Alberta Response Model. For the same reasons given about the measure above, Ma'möwe Capital Region CFSA (Region 10 – Edmonton and Area) has been selected as the sole source of data to report on this measure.

This measure reflects whether the community resources the family was referred to through differential response have been helpful to the family.

The reporting on this measure is based on a follow-up survey² conducted by Ma'möwe Capital Region CFSA with families having received services from Family Enhancement.

Over the period of Ma'möwe Capital Region CFSA's ARM implementation in 2002-03, from Oct. 1, 2002 to March 31, 2003, 88 surveys were completed. Results are based on responses to two questions, with "strongly agree" and "agree" combined.

- In response to the question: "The service(s) provided helped improve my family's well-being", 89.8 per cent of 88 families referred for Ma'möwe Capital Region CFSA's Family Enhancement services felt that the services helped improve their families' well-being.

- As indicated in the chart on the following page, and in response to the question: "The service(s) provided helped to preserve my family", 83.0 per cent of these same families referred for Ma'möwe Capital Region CFSA's Family Enhancement services felt that the services provided helped them preserve their families.

Families at risk who indicated that community services received helped improve their families' well-being

Target: 75%

89.8%

October 2002 to March 2003

Data Source:

Ma'möwe Capital Region CFSA Family Enhancement Program
Family Outcome Questionnaire Survey
Alberta Children's Services

To improve outcome measures, this measure will be replaced in 2003-04 by a measure to reflect the capability of differential response (Family Enhancement services) in all regions to prevent families from repeated entry into child protection services.

2 For methodology, see Appendix 2: Performance Measures - Data Sources and Methodology.

Performance

Measure:

Percentage of families receiving family violence services who report these are having a positive impact.

In its commitment to making a difference for families at risk to overcome their circumstances and be safe, healthy and self-reliant, the ministry addresses family violence through the funding of women's emergency shelters. These facilities provide a temporary safe place for victims of family violence and services that can help victims in the future.

This measure provides an indication of the extent to which shelter services have reduced the vulnerability of the women and/or their children who were shelter residents to future risks of abuse. The measure is based on a survey³ of women who by themselves or with dependents, had stayed at women's emergency shelters funded by Alberta Children's Services. The survey was conducted between Sept. 1, 2002 and March 31, 2003. The lagged time for the survey to commence in

Families at risk who indicated that community services received helped them preserve their families

Target: 75%

83.0%

October 2002 to March 2003

Data Source:
Ma'môwe Capital Region CFSA Family Enhancement Program
Family Outcome Questionnaire Survey
Alberta Children's Services

Respondents who reported that they are more able to keep themselves and their children in their care safer from abuse as a result of their shelter stay

Target: 75%

95.0%

2002-2003

Data Source:
Women's Emergency Shelter Outcomes Exit Survey
Alberta Children's Services

2002-03 was attributable to time taken to develop and confirm the survey methodology and instrument with all stakeholders. As this measure continues for 2003-04, next year's reporting will reflect a 12-month exit survey.

Speaking to this measure, the survey uses the question, "As a result of my shelter stay, I am more able to keep myself (and the children in my care) safer from abuse". The result reported is based on the sum of the responses "strongly agree" and "agree" to this survey question. As indicated in the chart below, of the respondents who provided a valid response, 95.0 per cent of them strongly agreed or agreed with the statement. The target set for this measure is 75 per cent.

The result demonstrates the significance of shelter services in supporting change to the service recipients during their short-term shelter stays. In many cases, women rely on a number of other systems' responses in order to increase their levels of safety. Justice, social support and legal issues are also factors that impact increased safety and stability for women leaving abusive relationships. Coordination and resolution of these other system responses are vital considerations in shelter service delivery.

³ For methodology, see Appendix 2: Performance Measures: Data Sources and Methodology.

Goal 2.2

children in need will be protected and supported by permanent, nurturing relationships

Continue to Develop And Enhance Protection And Prevention Services

2.2.1 Develop and implement an Alberta Response Model to transform child welfare.

2.2.2 Provide training to support social workers implementing an Alberta Response Model.

2.2.6 Complete the Review of the *Child Welfare Act*.

2.2.7 Continue to provide preventative and treatment services for the protection of children and youth under the *Protection of Children Involved in Prostitution Act*.

2.2.8 Review the role of the Children's Advocate in the context of other advocacy.

2.2.9 Under the Social Care Facilities Review Committee continue to conduct legislated reviews and investigations of social care facilities as required to ensure safe environments for children.

Facilitate Permanent And Caring Relationships And Capacity For Independence For Children And Youth

2.2.3 Work with the foster care communities, including First Nations and Metis settlements, to promote kinship care, and other living arrangements for children and youth who are in need of care.

2.2.4 Expand agency support to include adoptions, and other initiatives to provide children and youth in care with permanent nurturing homes, and life long connections to family and community.

2.2.5 Provide transitional supports such as mentoring programs, peer supports and extended networks that enable youth leaving child welfare to make a successful transition to independence.

Continue To Develop And Enhance Protection And Prevention Services

Launching the Alberta Response Model

The implementation of the Alberta Response Model (ARM) is a major achievement that will impact many areas of the ministry's business. Implementation occurred over the 2002-03 fiscal year, at varying rates throughout the province with notable launches in Ma'mōwe Capital Region, Calgary Rocky View and Diamond Willow Child and Family Services Authorities (CFSAs). As a result of ARM, these three authorities introduced a "family enhancement" alternative to child protection services and reassigned some of their workforces accordingly.

In 2002-03, the University of Calgary, Faculty of Social Work, under contract to Alberta Children's Services, performed a formative evaluation of ARM with special emphasis on description of the implementation of ARM in Ma'mōwe Capital Region, Calgary Rocky View, Diamond Willow and Neegan Awas'sak CFSAs.

A priority focus for Children's Services was the development and delivery of training to support the Alberta Response Model. ARM training for staff was provided on a regional basis, with a provincial competency-based training initiative currently being developed. Training in Building Community Partnerships was implemented in January 2003 and Solution Focused Approach and Family Group Counseling were piloted in February 2003.

Reviewing child welfare

The *Child Welfare Act* review was completed and legislative changes were recommended. These recommendations are contained in a report titled, *Strengthening Families, Children and Youth*, released in December 2002. The *Child Welfare Amendment Act* was introduced in the legislature in March 2003. Regulations, policy and procedures supporting the *Child Welfare Amendment Act* are under development. With proclamation of the legislation targeted for 2004, the legislation further reinforces the principles of the Alberta Response Model including increased involvement of families in decision-making, permanency planning, and respect for cultural diversity.

Stemming from the child welfare review, the *Family Support for Children with Disabilities Act* was also introduced in the legislature in March 2003. Proclamation is targeted for 2004.

Community initiatives fight child prostitution

In 2002-03, a Protection of Children Involved in Prostitution (PChIP) communication strategy was approved and community initiatives were implemented to increase awareness of the sexual exploitation of children in Alberta.

A Community Awareness Manual was developed and training was provided across Alberta. As well, a new visual image and "slogan" have been developed to increase public familiarity with the PChIP Initiative, programs and services. As part of the awareness campaign, bookmarks with the image and slogan were distributed by all public libraries across Alberta and "postcards" were made available in doctors' offices in the Edmonton region for the month of March. A television "public service announcement" has been completed and will be the foundation of continued awareness activities including a summertime "chalk art campaign" and new awareness brochures released in the Spring 2003.

A full review of the protective safe house component of the PChIP Initiative was launched in January 2003. The purpose of the review is to research best practice treatment approaches, evaluate existing services and provide recommendations for improving service delivery. The resulting report will guide future program development. A full evaluation of all PChIP programs and services is planned for the 2003-04 fiscal year.

Ministry reviews

A review of the role of the Children's Advocate and the restructuring of the Office of the Children's Advocate was completed and resulted in the appointment of a new provincial children's advocate.

As well, from April 1, 2002 to March 31, 2003 the Social Care Facilities Review Committee (SCFRC) reviewed a total of 178 facilities including 91 foster homes, 26 child and youth care facilities, 12 women's shelters and 49 day cares. Through the SCFRC, a feedback plan has been

implemented to improve information sharing with department heads and branches, regional authorities, other ministry committees, panels and facilities reviewed. Also, first-time joint intervention training with the Health Facilities Review Committee has been completed.

Facilitate Permanent And Caring Relationships And Capacity For Independence For Children And Youth

Stable homes fill special needs

Alberta's adoption program was ranked number one in Canada by the Adoption Council of Canada due to the province's efforts to recruit and place special needs children for adoption. In 2002-03, adoption of children with special needs increased by almost 10 per cent over the previous year.

In 2002-03, Alberta's Adoption Recruitment program continued to use the Wednesday's Child television program, newspapers, newsletters, radio, public service announcements and photo-listing albums. In February 2003, the recruitment process was expanded through Internet technology with the launch of the Adoption Web site. The Web site has proven to be a very valuable tool in finding adoptive homes for waiting children by raising the profile of the adoption program.

Private licensed adoption agencies have participated in the adoption process of over 30 children. Their involvement ranged from providing adoption training, completing home assessment reports, placing children for adoption, post placement supervision and adoption finalization.

To ensure First Nation children for adoption were placed with First Nation families, the ministry and the Yellowhead Tribal Services Association (YTSA) implemented the Open Custom Adoption Program. Over the past year, the program helped place 15 children in adoptive homes and produced a manual on the private adoption process to assist Delegated First Nations Agencies.

Strong support for youth in care

Children's Services is a partner in the cross-ministry Youth in Transition Policy Framework Implementation Team. The focus of this group is to make recommendations to the ACYI partnering deputy ministers on the implementation of the policy framework. The team has been asked to include a focus on 16 and 17-year-olds.

The ministry is also working in partnerships to increase mentoring opportunities for children and youth. A senior department manager was seconded to Big Brothers and Big Sisters (BBBS), Edmonton and area to help with the development and implementation of a community-based, province-wide mentoring work plan.

In September 2002, a mentoring recruitment campaign was implemented to recruit 300 adult mentors in partnership with AADAC, Alberta Mental Health Board, BBBS Edmonton and area, and other mentoring agencies. By the end of March 2003, approximately 435 adults had applied to become mentors. Also, an in-school mentoring program was promoted in the ministry, resulting in 16 staff becoming mentors through a partnership with BBBS and Edmonton schools.

In 2002-03, the ministry partnered with Alberta Human Resources and Employment to reinforce the commitment of each ministry in ensuring youth in, and from, child welfare care have access to programs, services and supports to assist with employment planning and readiness. The result was the Partnership for Providing Access and Support to Career Transition for Youth in Care.

Outcomes & Performance Measures

Outcome(s):

- Children and youth in need are protected from abuse.
- Children and youth in government care are placed in secure, life-long relationships and stay connected to family and community.

Performance Measure:

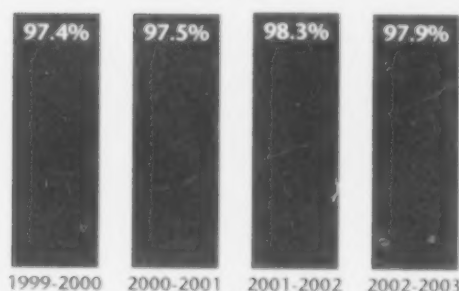
Percentage of children free of abuse or neglect while receiving child protection services

A priority and fundamental activity of the ministry is to keep children free from abuse and neglect while receiving child protection services. This performance measure has been reported on for a number of years.

The 2002-05 Business Plan set a target of 100 per cent for this measure. There will be circumstances, however, where it is beyond the control of Children's Services to keep children from being abused or neglected. In 2002-03, the percentage⁴ of children who remain safe from abuse or neglect while receiving child protection services is 97.9 per cent⁵. For the 2003-06 Ministry Business Plan, this measure will be captured by national measures that focus on keeping children protected from recurrence of maltreatment or harm.

Children who stay free from abuse and neglect while receiving child protection services

Target: 100%



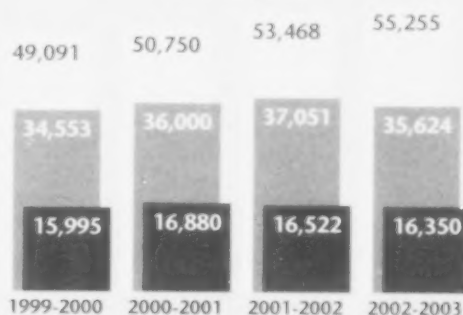
Data Source:
Child Welfare Information System, Manual verification
Alberta Children's Services

Supplemental Measure:

Reported, investigated and substantiated incidence of child abuse and neglect

The ministry responds to reports from community members about children who might need protection. Staff investigate to determine whether a child needs protection. If the child's guardian cannot or will not protect the child, staff provide services that make sure the child is protected. In the graph on this page, "reports received" represent reports where protective services under the *Child Welfare Act* may be needed. "Completed investigations" are the number of incidences where the report led to a full investigation being completed. "Substantiated investigations" represent the number of completed investigations where an incidence of neglect or abuse was found.

Reported, investigated and substantiated incidence of child abuse and neglect



Reports Received
Completed Investigations
Substantiated Investigations

Data Source:
Child Welfare Information System
Alberta Children's Services

- 4 An additional manual verification of Child Welfare Information System data was introduced in 2001-02 to enhance the accuracy of this measure. Validation questionnaires are sent to Child and Family Services Authorities and to Delegated First Nations Agencies to verify data from the Child Welfare Information System.
- 5 In 2002-03, the methodology for collecting data for this measure was changed. To improve the timeliness of reporting, data for the measure was collected 60 days after fiscal year-end rather than 90 days as in previous years. It is believed that data accuracy has not been significantly impacted by this change.
- 6 In 2002-03, the methodology for collecting data for this measure was changed. To improve the timeliness of reporting, data for the measure was collected 60 days after fiscal year-end rather than 90 days as in previous years. It is believed that data accuracy has not been significantly impacted by this change.

Performance Measure:

Percentage of children and youth in care who were reunited with families or placed in other stable, long-term, living arrangements

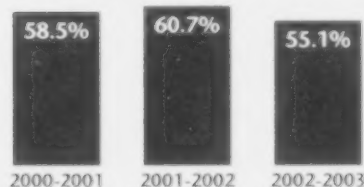
Children need to be placed in stable environments as soon as possible to promote a healthy environment for the child that facilitates meeting developmental milestones. A major objective of the ministry is having children who are under provincial guardianship placed in stable, long-term living arrangements. This measure is addressed through three components, all reflecting movement toward more stable living arrangements for children under provincial guardianship.

(a) Percentage of children, newborn to age 11, under permanent guardianship, whose permanency plan is adoption, who were placed for adoption.

This component is not being reported on due to problems in acquiring data on permanency plans. As this measure is in the 2003-06 ministry business plan, these data problems will be addressed so that this component of the measure can be reported on in the 2003-04 annual report.

Children who exited foster care, group care and residential care by either returning to parental care, placement with significant other, placement with extended family, placement in independent living or placement in supported independent living

Target: Increase by 10%



Data Source:
Child Welfare Information System
Alberta Children's Services

(b) Percentage of all children who were in foster care, group care, and residential care, and who left foster care, group care and residential care by either returning to parental care, placement with significant other, placement with extended family, placement in independent living, or placement in supported independent living⁷. The target for 2002-03 is an increase of 10 per cent over last year's results.

Children's Services' child welfare caseload shows an overall decrease in the number of children receiving child welfare services. This is due, in part, to the family enhancement services under the Alberta Response Model and increased services at the community level in early intervention and prevention. Families are receiving support early and this decreases the likelihood of crisis. However, the percentage of children leaving care did not meet this year's target. This is due, in part, to the fact that children in protection services are growing older and others may have more complex needs. These

factors make it more difficult to find appropriate permanent placements and resources that address these issues.

(c) Of children in care whose file closed in 2002-03, the percentage of children who had no more than three placements while the case was open. This data is broken down by cases open for 0-12 months, 13-24 months, 25-36 months, and 37+ months.

⁷ In 2002-03, the methodology for collecting data for this measure was changed. To improve the timeliness of reporting, data for the measure was collected 60 days after fiscal year-end rather than 90 days as in previous years. It is believed that data accuracy has not been significantly impacted by this change.

Overall, 67.9 per cent* of all children in care whose files were closed in 2002-03 had no more than three placements. This compares to 67.7 per cent in 2001-02. The 2002-05 business plan set a target of a 10 per cent increase in the number of children with no more than three placements while in care. Although the ministry did not meet its planned target, evidence shows progress towards that initial target. For children in care for two to three years (25-36 months), the number of children with no more than three placements increased by 5.7 per cent. This means they experienced a more stable environment while in care.

This measure and its three components are included in the 2003-06 Children's Services Ministry Business Plan for reporting in 2003-04. Starting in 2004-05, this measure will be replaced with three national measures that focus on placement and permanency.

Children in care whose file closed in the year who had no more than three placements while the case was open

Target: Increase by 10%



Data Source:
Child Welfare Information System
Alberta Children's Services

Protective safe house clients who were reconnected to parents or other family care and support

Target: 70%



Data Source:
Child Welfare Information System
Alberta Children's Services

Performance Measure:

Percentage of children and youth receiving services under the Protection of Children Involved in Prostitution Act who are reconnected to parents or other family care and support

To keep children and youth safe and free from abuse, the *Protection of Children Involved in Prostitution Act* provides for protective safe houses, which are secured facilities with restricted access. A child involved in prostitution can be apprehended and confined to a protective safe house for a prescribed period of time. There are three protective safe houses in the province - in Calgary, Edmonton, and Lethbridge - offering a number of services to children, including drug and alcohol counseling, medical supports, psychological services, and educational and life skills support. Between January and May, 2003, a Protective Safe House Review was conducted to evaluate the service delivery processes and effectiveness of protective

* In 2002-03, the methodology for collecting data for this measure was changed. To improve the timeliness of reporting, data for the measure was collected 60 days after fiscal year-end rather than 90 days as in previous years. It is believed that data accuracy has not been significantly impacted by this change.

safe houses. Data for this measure was collected as part of the protective safe house review.

The ministry is reporting on the percentage of protective safe house clients who are reconnected with parents or other family care and support. The measure includes children who were confined to a protective safe house between Jan. 1, 2002 and Dec. 31, 2002. The measure includes children who, immediately following release from a protective safe house, lived for a period of 90 continuous days with a parent, a guardian, an extended family member, a responsible adult, or, in the case of a child who was in government care, in an open placement. An open placement includes a placement in foster care, in a group home, and/or in supported independent living. A child could have more than one placement in the 90 continuous days and still be considered in an open placement. A child may have stayed in a protective safe house more than once but the result for this measure only reflects the reconnection rates from a client's last stay in a protective safe house.

Data from the ministry's Child Welfare Information System (CWIS) was used to track client outcomes after their stays at a protective safe house. Of the 53 children who were confined to and released from a protective safe house between Jan. 1, 2002 and Dec. 31, 2002⁹, 15 children (28 per cent) were reconnected with parents or other family care and support. This result is below the ministry's target of 70 per cent. The lack of follow-up information on protective safe house clients greatly influenced the ability to meet this target. Current data was available for 30 of the 53 protective safe house clients. The ability to collect sufficient data is impacted by the difficulty in locating past clients, and the need to gain guardian consent before contacting past clients.

This measure is not being carried forward to the 2003-06 ministry business plan. Ongoing reporting of this measure by the program area is under review.

9 In order to report on this measure for the fiscal year (April 1, 2002 to March 31, 2003) and because this measure looks at reconnection 90 days (three months) after a child has been released from a protective safe house, a time period of one calendar year (Jan. 1, 2002 to Dec. 31, 2002) was selected.

Core Business Three

Promoting Healthy
Communities For Children,
Youth and Families



Goal 3.1

The well-being and self-reliance of aboriginal children, families and communities will be promoted, supported and comparable to that of other Albertans

Enhance Partnerships With Aboriginal Communities

3.1.2 Work with the federal government, First Nations and other aboriginal communities to promote development and delivery of early intervention strategies to improve the well-being of aboriginal children, youth, and families.

3.1.4 Through negotiated framework agreements, promote joint planning and action between the ministry and the Metis Nation of Alberta Association respecting equitable participation and involvement of Metis peoples in programs, policies and standards that affect Metis children.

Strengthen First Nations Child Protection Service Delivery

3.1.3 Negotiate and maintain child welfare agreements to support First Nations communities in delivering child protection services to children, youth and families on reserves.

3.1.5 In collaboration with First Nations delegated child welfare agencies, develop an accountability and performance measurement framework.

Advance Ministry's Aboriginal Initiatives

3.1.1 Continue to develop and implement a ministry-specific plan for implementing the Aboriginal Policy Initiative, including attention to the needs of aboriginal children not served through Metis Settlements or First Nations agreements.

3.1.6 Continue to develop and implement a plan for the recruitment and retention of aboriginal staff in the ministry.

Enhance Partnerships With Aboriginal Communities

Partnerships for child and youth development

In 2002-03, partnering ministries have been working together towards the development of an Aboriginal Youth Suicide Prevention Strategy. In addition, 11 programs promoting the healthy birth and development of aboriginal children were implemented in aboriginal communities.

In 2002-03, the ministry entered into a Social Services Sub-Agreement with the Metis Nations of Alberta Association (MNAA). This agreement reflects the Government of Alberta's results and gives the MNAA the power to champion the inclusion of the "Metis Child" in the Provincial *Child Welfare Act*. This strengthens the role of MNAA to educate, promote and lobby for Metis children, families and communities; and to advance the well-being and self-reliance of Metis children, families and communities.

Strengthen First Nations Child Protection Service Delivery

Protecting the legacy

Children's Services continues to work with aboriginal communities to protect the culture of First Nations and Metis people and promote the future of aboriginal children.

In 2002-03 the number of agreements with First Nations societies to deliver child protection increased. Eighteen agreements involving 39 of the 47 First Nations in Alberta are in place, including new agreements with two new First Nations agencies (Saddle Lake and Blood Tribe Child Protection Services).

To develop other First Nations agencies, workshops on accountability processes were conducted with individual First Nations. As well, a governance-training package tailored to First Nations' agency boards was tested in the Northwest. Over the past year, the ministry also worked

with Treaty 7 representatives to develop performance measures and standards.

Board development workshops were conducted for the boards of the child and family services agencies for the Western Cree, Tribal Chiefs, Little Red River Cree Nation and Saddle Lake, including the development of governance policies to guide board operations.

Strengthening First Nations services

Over the past year, the ministry continued to work with First Nations governance to develop their capacity to deliver and monitor child welfare services. The directors of Delegated First Nations Agencies were engaged in the development of First Nation practice standards to be implemented in 2003. A consultant was commissioned to assist in the development of practice standards for First Nation child and family services in Alberta.

Advance Ministry's Aboriginal Initiatives

Improving culturally appropriate services

In 2002-03, the ministry increased its emphasis on permanency planning for aboriginal children, youth and families. Efforts of the CFSAs and special projects such as the Bigstone/Ma'möwe permanency planning project successfully increased the numbers of aboriginal children and youth who were adopted, placed in stable placements or returned to parental or community care by 22 per cent.

Focusing on aboriginal needs

In 2002-03, Alberta Children's Services provided bursaries and coaching support to Metis students committed to pursuing a degree in social work. The ministry also facilitated a symposium related to education in the north to support ongoing development, and participated on the board for the Inter-Provincial Association of Native Employment (IANE) to promote aboriginal recruitment.

Outcomes & Performance Measures

Outcome(s):

- Aboriginal communities have the capacity to meet the needs of children, youth and families.
- There is a reduced percentage of aboriginal children represented in the child welfare caseload.
- Aboriginal children, youth and families receive culturally appropriate services.

Performance Measure:

Percentage of aboriginal children free from abuse and neglect while receiving child protection services

A priority and fundamental activity of the ministry is to keep children free from abuse and neglect while receiving child protection services. The performance measure "percentage of children free of abuse or neglect while receiving child protection services" has been reported on for a number of years. For 2002-03, the present measure has been added to give focus to the aboriginal children.

The 2002-05 business plan set a target of 100 per cent for this measure. There will be circumstances, however, where it is beyond the control of the Children's Services to keep children from being abused or neglected. For 2002-03, the percentage of aboriginal children who remain safe from abuse or neglect while receiving child protection services is 96.9 per cent¹⁰.

For the 2003-06 Ministry Business Plan, this measure will be captured by national measures that focus on keeping children protected from recurrence of maltreatment or harm.

Performance Measure:

Percentage of aboriginal children in care who were reunited with their families or placed in other stable, long-term, living arrangements

A performance measure on all children in care who are reunited with their families or placed in other stable, long term, living arrangements has been reported in past years. The present measure was added in 2002-03 to give focus to aboriginal children in care.

Children need to be placed

in stable environments as soon as possible to promote a healthy environment for the child, and one that will promote the meeting of developmental milestones. A major objective of the ministry is having children who are under provincial guardianship placed back in their families or in other stable, long term, living arrangements.

This measure is addressed through three components, all reflecting movement toward more stable living arrangements for children under provincial guardianship.

(a) Percentage of aboriginal children, newborn to age 11, under permanent guardianship, whose permanency plan is adoption, who were placed for adoption.

Aboriginal children who stay free from abuse and neglect while receiving child protection services

Target: 100%

96.9%

2002-2003

Data Source:

Child Welfare Information System, Manual verification
Alberta Children's Services

¹⁰ Validation questionnaires are sent to Child and Family Services Authorities and to Delegated First Nations Agencies to verify data from the Child Welfare Information System.

This component is not being reported on due to problems in acquiring data on permanency plans. As this measure is in the 2003-06 ministry business plan, these data problems will be addressed so that this component of the measure can be reported on in the 2003-04 annual report.

(b) Percentage of aboriginal children who were in foster care, group care and residential care and who left foster care, group care and residential care by either returning to parental care, placement with significant other, placement with extended family, placement in independent living, or placement in supported independent living¹¹.

The percentage of aboriginal children leaving care did not meet this year's target. This is due in part to the same issues as the broader child-in-care population but also is due in part to issues specific to this group. As efforts increase to return aboriginal children to their home communities, it is essential that those communities are involved in the planning and have the resources to meet the needs of the children. Since many of these communities are

Aboriginal children who exited foster care, group care and residential care by either returning to parental care, placement with significant other, placement with extended family, placement in independent living or placement in supported independent living

Target: Increase by 10%



Data Source:
Child Welfare Information System
Alberta Children's Services

Aboriginal children in care whose file closed in the year who had no more than three placements while the case was open

Target: Increase by 10%



Data Source:
Child Welfare Information System
Alberta Children's Services

somewhat distant from the child's current placement resource and/or required services, exit planning can be a lengthy process.

(c) Of aboriginal children in care whose file closed in 2002-03, the percentage of children who had no more than three placements while the case was open. This data is broken down by cases open for 0-12 months, 13-24 months, 25-36 months, and 37+ months.

The 2002-03 results indicate significant success towards minimizing moves for aboriginal children in their first year of placement. Due to the way the Child Welfare Information System (CWIS) is currently set up to collect data required for reporting on this measure, no historical data is available to address the target (increase by 10 per cent over 2001-02 result). Given the ability to report on this measure this year, the 2002-03 result will serve as a baseline for this measure's target reporting in 2003-04.

This measure and its three components are included in the 2003-06 Children's Services Ministry Business Plan for reporting in

¹¹ In 2002-03, the methodology for collecting data for this measure was changed. To improve the timeliness of reporting, data for the measure was collected 60 days after fiscal year-end rather than 90 days as in previous years. It is believed that data accuracy has not been significantly impacted by this change.

2003-04. Starting in 2004-05, this measure will be replaced with three national measures that focus on placement and permanency.

Performance Measure:

Percentage of aboriginal community partners reporting an increase in the community's ability to meet the needs of aboriginal children, youth and families

In its commitment to the well-being and self-reliance of aboriginal individuals and communities, Children's Services works with aboriginal communities to develop the capacity to meet needs of children, youth and families. This measure reflects the collective assessment by individuals and organizations that work in partnership with the ministry, on how far aboriginal communities have developed in their ability to respond to the needs of their children, youth and families.

Results for this measure are based on an Aboriginal Community Partners Survey¹² conducted from January to April 2003. Through personal interviews and focus groups, the survey gathered data from aboriginal partners who work with and in

aboriginal communities across the province, representing organizations in health, education, judicial services, as well as community-serving agencies. Interview and group participants responded to a questionnaire designed to assess their individual opinion on their respective aboriginal community's ability to meet the needs of aboriginal children youth and families.

The results show that 35.6 per cent of the respondents either "agree" or "strongly agree" to the statement: "Since the formation of the Ministry in 1998, I believe my community has increased its ability to meet the needs of aboriginal children, youth and families". The target for this performance measure is 70 per cent.

The results for this measure direct attention to a number of factors that impact on aboriginal community capacity to meet needs of aboriginal children, youth and families. These include: geographical distance between isolated communities and services/institutions (e.g., schools); engagement of different orders of government in aboriginal service delivery system; and limited availability of funding and appropriate human resource skills to address issues.

The Aboriginal Community Partners survey is conducted every two years. The measure will be reported on again in 2004-05.

Aboriginal community partners reporting an increase in the community's ability to meet the needs of aboriginal children, youth and families

Target: 70%



2002-2003

Data Source:
Aboriginal Community Partners Survey
External Contractor, Alberta Children's Services

¹² For methodology, see Appendix 2: Performance measures - Data Sources and Methodology.

Goal 3.2

communities will have the capacity to plan and deliver services that promote the well-being of children, youth and families

Strengthen Community Capacity To Preserve The Well-Being of Children And Families

3.2.1 Promote the capacity of Family and Community Support Services (FCSS) and regional authorities to deliver preventative and early intervention programs for children and families, increase integration of programs and services, and promote strong partnerships.

3.2.2 Increase the information available to help Family and Community Support Services Association (FCSSA), municipalities and Metis Settlements strengthen programming through the Annual Report Data Base, the Measures Project, and the FCSSA public information and awareness initiatives.

3.2.3 Develop a provincial strategy for promoting the involvement of the private sector in addressing the needs of children, youth and families.

Enhance Community Involvement In Addressing Needs and Issues Of Children And Youth

3.2.4 Develop and maintain the Youth Advisory Panel involving youth in identifying and addressing issues facing young Albertans.

3.2.5 Facilitate regular provincial and regional forums and public discussions to work towards the well-being of children, youth and families, including the Children's Forum and the Youth Forums.

3.2.6 Continue leadership of the Great Kids Awards to showcase the achievements of children and youth from diverse backgrounds.

3.2.7 Develop and maintain a public education campaign on the needs and achievement of Alberta's children, youth and families, and the work being done by the ministry.

Strengthen Community Capacity To Meet Needs of Children and Families

Partnering for community care

In 2002-03, a variety of community partnerships were formed through Child and Family Services Authorities (CFSAs) and Family and Community Support Services (FCSS), increasing opportunities for the diversion of potential child welfare cases to community-based programs and services. Partnerships also have been formed between CFSAs and FCSS governance bodies to deliver Early Childhood Development (ECD), Home Visitation and Fetal Alcohol Spectrum Disorder (FASD), resulting in co-located services and joint-delivery models.

Support for community capacity was provided through ongoing board development focused on strategic planning and the role of the board to link with community stakeholders and facilitate their input for planning and evaluating services.

Making a difference together

The FCSS Making a Difference Outcome and Evaluation Project completed its first year of implementation. In total, 60 municipalities developed logic model processes to plan and evaluate FCSS project outcomes. With the project now in the second of three phases, 30 programs are currently being supported by regional training teams across the province. As well, the ministry worked with the Family and Community Support Services Association (FCSSA) to produce a "Working Together" paper, focusing on strategies to aid community partners in the development and delivery of community-based justice programs.

In 2002-03, the ministry led the introduction of Alberta's Promise, a unique partnership dedicated to finding new and more effective ways to give Alberta children an opportunity to live happy, healthy, successful lives. The Alberta's Promise Council is chaired by Premier Ralph Klein and made up of a volunteer board of members from the province's corporate community. The goal of the council is to inspire the corporate sector and communities to come together with not-for-profit organizations that provide programs and services to children and youth.

The initiative complements current government programs and investment in children. The inaugural Council Meeting of Alberta's Promise was held in Calgary on Feb. 6, 2003, and the announcement of legislation on Alberta's Promise (Bill 1, 2003 - *The Premier's Council on Alberta Promise Act*) was included in the Throne Speech on Feb. 18, 2003.

Enhance Community Involvement In Addressing Needs and Issues of Children and Youth

A youthful perspective

Made up of 12-14 youth, ages 16 to 21 from around Alberta, the Youth Secretariat has created the Youth Advisory Panel to identify and address issues that impact youth at risk. Three of the panel members have received Great Kids Awards, five are aboriginal and at least five have had experience with the child welfare system. Other panel members bring experience and perspectives with the justice system, addictions, FASD, teen parenting and physical disabilities. Meeting every second month, this specialized panel advises on government policy related to issues such as teen pregnancy, youth in transition, children's mental health, and school curriculum.

From November 2002 to March 2003, community-based Youth Forums were held across Alberta. Planned by youth, the forums successfully met the objectives of empowering young people and increasing awareness of youth issues in each community. The results of the Youth Forums will be shared at the 3rd Provincial Children's Forum, scheduled for May 2003.

Celebrating great kids

In March 2003, 17 amazing young people received Great Kid Awards in recognition of their efforts. These awards honour and support children and youth throughout Alberta who display leadership, selflessness and strong community spirit. The event continues to allow Albertans to recognize the outstanding contributions that children and youth make to their family, school and community.

Outcomes & Performance Measures

Outcome(s):

- Communities are responsive to the needs, values and cultures of children and their families.
- Children, youth and families have opportunities to participate in decisions that affect them.
- Albertans are aware of and involved in addressing issues faced by children, youth and families.

Performance Measure:

Percentage of FCSS boards reporting that programs and services are effective in meeting priority needs of the community

A key focus of Children's Services is strengthening the capacity and self-reliance of communities to plan and deliver services to meet the needs of children, youth and families. The ministry, municipalities, and Metis Settlements have jointly funded preventive social services for Albertans through the Family and Community Support Services (FCSS) program. In pursuit of its goal of prevention, FCSS projects and services are both representations of community capacity to meet local needs of importance, and community catalysts to nurture, strengthen, animate and sustain such capacity.

This measure addresses the extent to which local FCSS programming is able to respond to local community needs of priority. Data for this measure is from a survey

Family and Community Support Services (FCSS) boards reporting that programs and services are effective in meeting priority needs of the community

Target: 80%

93.6%

2002-2003

Data Source:
FCSS Board Survey
Alberta Children's Services

question sent to 192 FCSS programs, requesting a response from their respective boards. Seventy-nine FCSS programs' boards responded to the survey, resulting in a 41.1 per cent response rate. The survey was conducted in April 2003 and was based on the total number of FCSS programs in 2002-03.

The survey question asked the FCSS programs' boards to indicate on a five-point scale in response to the statement, "In my opinion, in 2002, FCSS supported programs and services in my community were effective in meeting priority needs around prevention." The reported results for this measure are based on each

FCSS program providing one representative response to the survey question. Where a program provided multiple responses, the least favourable response was chosen as representative of the program. Thus, for example, if the multiple responses were "agree" and "disagree", "disagree" would be selected as representing the program in question.

Of the 79 FCSS programs that responded to the survey question, 93.6 per cent (74) indicated either "agree" (54.4 per cent), or "strongly agree" (39.2 per cent). The target for this measure is 80 per cent.

The results for this measure reflect a broad acknowledgement that FCSS-supported programs and services are making a difference in meeting prioritized needs at the local community level. Impact is particularly recognized in the areas of children and youth's development, outreach support to families, family life education and support for adult living. Through FCSS, increased resources are leveraged to strengthen local capacity to be effective in meeting needs. These resources include funding from the federal government

and other provincial programs contributory to FCSS supported initiatives, and CFSAs in relevant regions.

In 2003-04, a measure focusing on FCSS programming specific to children, youth and families will replace this measure.

Performance

Measure:

Percentage of community stakeholders reporting an increase in the community's ability to meet the needs of children, youth and families

Involvement of community stakeholders at the local level improves the delivery of services to children and better enables response to specific community needs. Data for this measure is from a survey¹³ of community partners. The survey is conducted in co-operation with the Child and Family Services Authorities. Community partners/stakeholders are organizations that deal with children, and include school boards, AADAC, municipal government agencies, non-for-profit organizations, and community organizations.

Community stakeholders reporting an increase in the community's ability to meet the needs of children, youth and families

Target: 70%

62.5%

2002-2003

Data Source:
Community Partners Survey, 2003
External Contractor, Alberta Children's Services

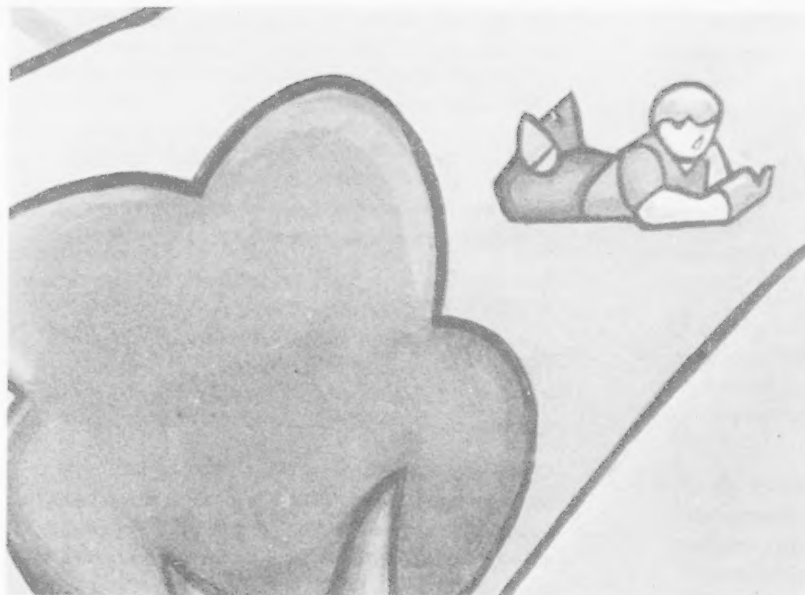
The result reported is in response to the question: "Again, thinking about the past 12 months, would you say you strongly agree, agree, disagree or strongly disagree that, overall there has been an increase in your community's ability to meet the needs of children, youth and families?" The responses "strongly agree" and "agree" have been combined. The question is new to the survey and was not asked in previous years. As indicated in the chart on this page, 62.5 per cent of respondents agreed that in the past 12 months, there

has been an increase in their community's ability to meet the needs of children, youth and families. The ministry's target was 70 per cent. The 2002-03 year was the first year of implementation of the Alberta Response Model, an initiative that strives to increase the involvement of the community in meeting the needs of children, youth and families. The year involved considerable discussion and strategy building between the ministry and community groups that should be reflected in future results on this measure.

The community partners survey is conducted every two years. The measure will be reported on again in 2004-05.

13 For methodology, see Appendix 2: Performance Measures - Data Sources and Methodology.

corporate strategies



A highly successful program,
called Face-to-Face Leadership,
was delivered across the ministry
with a focus on developing
strong leadership.

The corporate strategies of the ministry

support the achievement of goals across all three of the ministry's core businesses. Children's Services is a learning organization committed to staff development, strengthening the infrastructure required to deliver services, and promoting the cost effective management of resources to improve outcomes for children, youth and families. The results of key corporate strategies undertaken over the past year are highlighted below.

- The ministry contributed to a government-wide examination of trends influencing families and children and continues to develop a within-ministry 'environmental scanning' process. This ministry e-scan was completed in June 2002 and provided information used in the 2002 Strategic Planning Forum.

- The ministry participated in and promoted the development of government-wide planning guidelines, developed a ministry-wide planning framework that integrates strategic, business and operational planning, developed a new operational planning system, worked with CFSAs on the planning requirements to support the transition to new regional boundaries, supported development of CFSAs Business Plans, and developed a resource to support staff in their planning efforts.
- Performance Measures have been stabilized and are focused on ministry core businesses, goals and outcomes. This sets the stage for tracking results ministry-wide with year-over-year comparisons, to support continuous improvement and reporting of results.
- A highly successful program, called Face-to-Face Leadership, was delivered across the ministry with a focus on developing strong leadership. A total of 141 employees have taken part in the program in Lethbridge, Peace River, and Edmonton.
- To support continuous staff development, a Performance Management Framework was implemented across the ministry.
- A ministry-wide staff recognition program, called Ovation, was launched in the fall of 2002.
- Children's Services supported the Prairie Child Welfare Consortium, a cross-jurisdiction collaboration for the development of formal education and employer-based training of child welfare workers. The consortium is made up of the three prairie ministries that provide child welfare services and the three prairie universities that provide social work education.
- Efficiency and effectiveness were increased through the development or enhancement of a number of information management systems. These include: a Resource for Children with Disabilities information system; enhancements to the Child Welfare Information System to support information and data needs for delivery of services under the Alberta Response Model; and, a web-based reporting application called Human Resource Strategic Information System to support human resource management and planning efforts.
- The ministry developed an on-line Subsidy Eligibility Estimator and Subsidy Application on Service Alberta's website, in partnership with Innovation and Science and IBM.
- An Information Technology Business Resumption Plan and an Information Technology Disaster Recovery Plan were developed and implemented to respond to any emergencies that may arise.
- Regulatory reviews were undertaken. The Conditional Agreement Regulation under the *Family and Community Support Services Act* and the Child and Family Services Authorities Regulation under the *Child and Family Services Authorities Act* are currently under review.
- Corporate leadership has been taken in a number of areas to ensure up-to-date information is available to support and enhance decision-making for planning, policy development and program and service delivery. These include:
 - The ministry conducted, coordinated or contributed to evaluations of PChIP, Child Welfare Training, Southern Alberta Child Health Network, and the Ma'möwe Mentoring Pilot Project. Also, the ministry conducted evaluations of Intensive Behavioural Intervention services for children with autism and Intensive Therapeutic Intervention services for children with cerebral palsy, in partnership with Alberta Learning and Alberta Health and Wellness.
 - Children's Services led the Framework Steering Sub-Committee on the cross-ministry Low Income Review to implement a common policy approach to low income programs across government.

Financial Analysis

Results of Operations

Consolidated revenues in 2002-03 were \$146 million, approximately \$12 million higher than in the previous year. Annual spending increased by over \$20 million from 2001-02 consistent with the approved increase to the ministry's base budget.

Revenues

Total consolidated revenues increased by eight per cent or \$11.5 million from the previous year as a result of an increase in transfers from the Lottery Fund, targeted to the Family and Community Support Services (FCSS) programs delivered by municipalities.

Expenses

The ministry's increased spending of \$20.3 million was invested in Early Intervention, Family and Community Support Services, the Alberta Response Model and women's shelter programs to secure long-term improvements for Alberta children and families.

Comparison of 2002-03 Budget to 2002-03 Actuals

Summary:

The ministry expenses are \$13.3 million below the authorized spending level. This includes a planned surplus of \$3.2 million of funding from Alberta Finance for accumulated 2000-01 Child and Family Services Authorities deficits. Since the ministry was able to fund these deficits in 2001-02, an equivalent amount lapsed in 2002-03.

The major factors in the balance of the budget surplus were:

- **Early Intervention** - \$11.7 million unexpended for early intervention and Early Childhood Development initiatives that launched late in the year. Many of these projects required co-ordination with partnering departments, municipalities, community agencies and child care centres. It is expected that the set-up work and establishment of these partnerships in 2002-03 will result in full implementation in 2003-04.

- **Child Care** - \$4.7 million unexpended as a result of a decrease in families (eight per cent) accessing child care facilities and therefore subsidy.
- **Child Welfare** - \$4.3 million unexpended due to lower average caseloads (6.5 per cent) and the benefits obtained through the Alberta Response Model.
- **Program Support Services** - \$4.1 million over-expended to fund increased financial system (IMAGIS) charges, increased shared services costs and salary related increases.
- **Prevention of Family Violence** - \$3.1 million over budget to fulfill commitments for wage enhancements and contract increases for women's shelters.
- **Protection of Children Involved in Prostitution** - \$1.3 million under-spent as a result of lower costs to operate protective safe houses and reduced direct client services.

Family and Community Support Services (FCSS) spent \$1.9 million less than budget as municipalities used their 2001 surplus, and the support area had position vacancies and lower than budgeted contract and supplies costs.

Comparison of 2002-03 Actuals to 2001-02 Comparable Actuals

- **Ministry Support Services** decreased by \$1 million from the previous year. This decrease is the result of administrative savings.
- Expenditures for **Services for Children and Families** increased by \$8.3 million. Early Intervention spending increased by \$8.8 million (primarily in Early Childhood Development, mentoring and supporting parents, and child-care accreditation programs). Child welfare increased spending by \$1.8 million resulting from increased average cost per case and the implementation of the Alberta Response Model. A further increase of \$1.5 million occurred in Prevention of Family Violence to fulfill commitments for wage enhancements and contract cost increases.

- The increase in **Family and Community Support Services (FCSS)** of \$15 million fulfills the commitment to implement the FCSS funding allocation model and strengthen preventative programs across the Province. The additional allocations from lottery funds made this increase possible.

Comparison of 2002-03 Expenses by Core Business

Core Business	2002-2003	2002-2003	2001-2002
	Budget	Actuals	Actuals
	(\$000)	(\$000)	(comparable) (\$000)
1. Promoting the development and well-being of children, youth and families.	236,426	229,178	229,479
2. Keeping children, youth and families safe and protected.	338,386	335,825	333,499
3. Promoting healthy communities for children, youth and families.	100,587	93,971	75,713
TOTAL MINISTRY EXPENSE	675,399	658,974	638,691

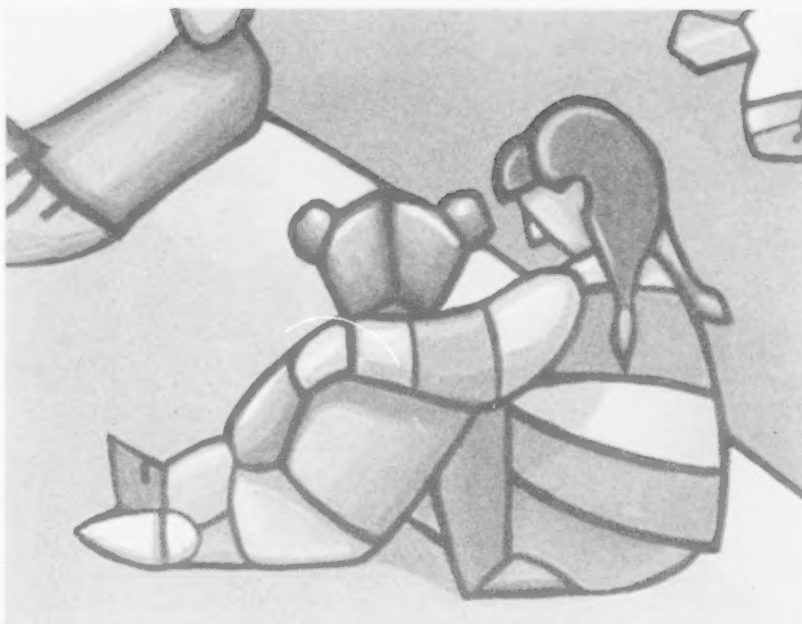
Comparison of 2002-03 Budget to 2002-03 Comparable Actuals

- Actual spending for core business one was \$7.2 million less than budget due to lower spending in Child Care and Early Intervention programs.
- Actual expenses for core business two were \$2.6 million less than budget due to lower actual expenses in Child Welfare, Child Care, Early Intervention and, the Protection of Children Involved in Prostitution; which were offset by over-spending in Prevention of Family Violence to fulfill commitments for wage enhancements.
- Actual expenses for core business three were \$6.6 million less than budget due to the late start-up of implementing Early Intervention initiatives and lower costs in Community Capacity Building.

Comparison of 2002-03 Actuals to 2001-02 Comparable Actuals

- Spending on core business one decreased by \$301,000. The significant contributing factors were lower child care costs and increased spending on Early Intervention. The result was a net decrease.
- Actual expenses for core business two increased by \$2.3 million over the previous year as a result of higher spending in Prevention of Family Violence, Protection of Children Involved in Prostitution, Early Intervention, Child Welfare and Program Support (\$5.3 million); and lower spending in Child Care, Ministry Support and Valuation Adjustments (\$3 million).
- Spending on core business three increased by \$18.3 million from 2001-02. A budget increase of \$15 million for Family and Community Support supported service delivery by municipalities. The remainder (\$3.3 million) reflects increased spending on Early Intervention programs.

LOOKing Forward



All Albertans have an interest
in making sure that our children
grow into healthy, capable,
and responsible adults with
bright futures.

Alberta has one of the youngest populations in the
nation, with children and youth making up 30 per cent of our population.

For this reason, we are re-shaping children's services to better support
parents, families, and communities in giving children today the supports,
caring and encouragement they need to make a successful transition into
adulthood with opportunities to contribute along the way.

In response to input from Albertans, we will not only continue to protect
children and youth from neglect and abuse, but will make it a strategic priority
to focus on prevention of harm to our children. In addition, as one of the
partnering ministries, Alberta Children's Services will be an active contributor to
the new Government of Alberta goal to support children in reaching their
potential. The 2003-06 business plan will be a blueprint for transformation.

Children's Services believes that every Albertan has the right to live without abuse. This year, Children's Services will continue to work with other ministries to reduce family violence.

A child's experiences in the first six years sets the tone for life-long development. The ministry will establish Early Childhood Development services to support families and others in giving children zero to six years the best possible start in life. The ministry will also work with partners to improve the co-ordination of resources for children and youth with disabilities, including those with complex, special needs. We will implement a child care accreditation program to ensure child care facilities provide high quality, enriched environments for our children. Investments will be made to enhance preventative and treatment programs for children with Fetal Alcohol Spectrum Disorder.

The ministry will implement the "youth in transition" framework to provide the opportunities, guidance and support for young people to make a successful passage into adulthood.

In 2004, a new *Child, Youth and Family Enhancement Act* will replace the *Child Welfare Act*. It will involve more children and families in decision-making, promote child development, encourage permanent placements of children into nurturing homes, and further support the ongoing implementation of the Alberta Response Model (ARM).

A new *Family Support for Children with Disabilities Act* will be implemented to enhance the supports and services available to children with disabilities and their families. It will provide services early and before a crisis develops, promote the child's healthy growth and development and support the family's ability to care for their child.

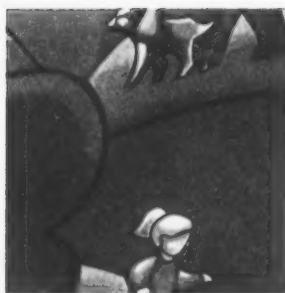
Community-based, early intervention strategies will continue to be developed through ARM. Our business plan outlines many initiatives for working in partnership with Family and Community Support Services and other community agencies to provide a continuum of services to families at risk in order to address problems at an earlier stage and lessen the need for child protection options.

Children's Services will be a contributing ministry to Alberta's Promise, which is a partnership with the corporate sector to draw their support for our mutual objective of making Alberta a family friendly place to raise our children. Through Alberta's Promise, community resources will be built to give children and youth the tools they need to learn, grow, and succeed.

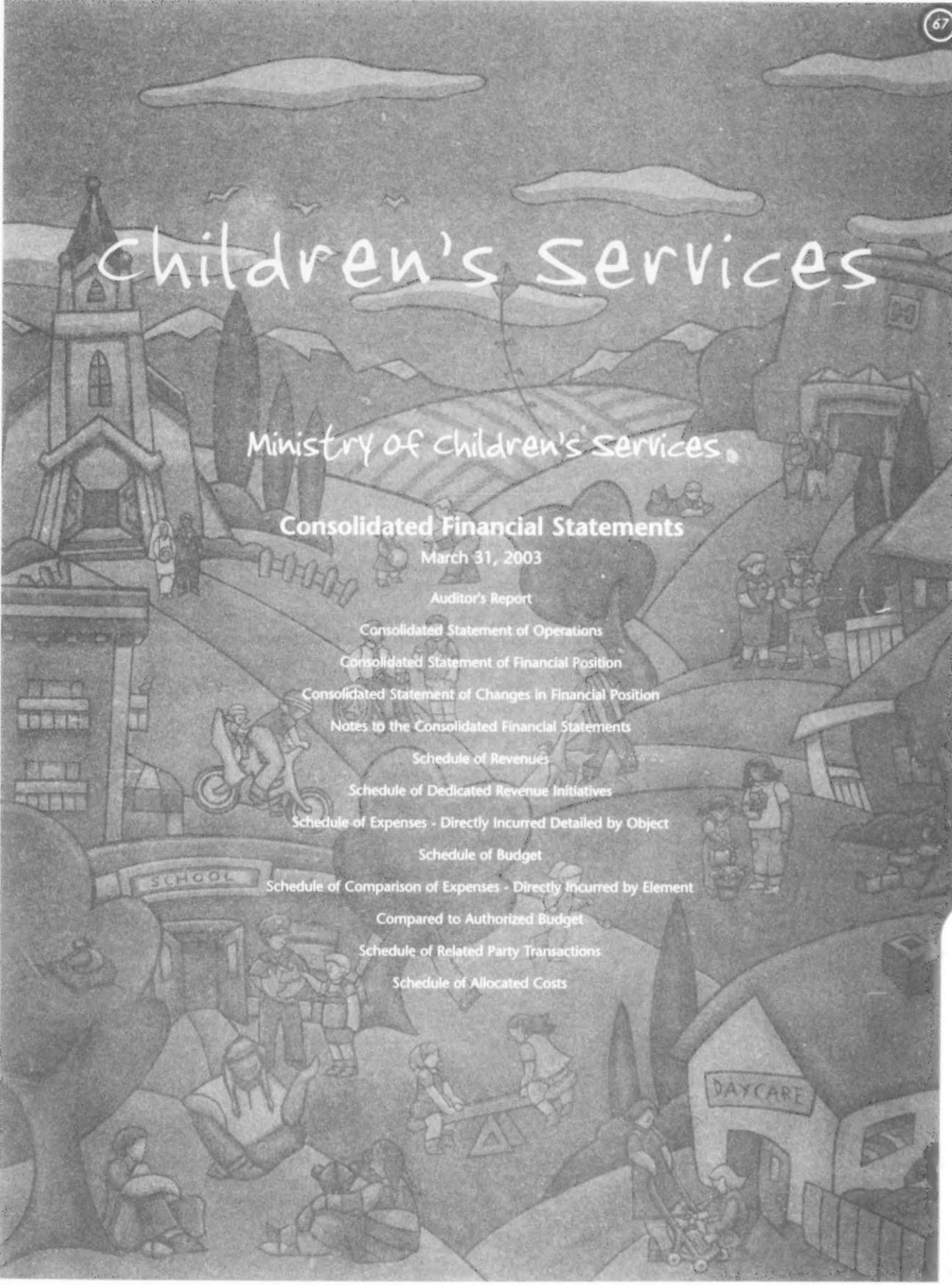
To improve our understanding of the issues and solutions facing children and families as we move into the future, we will invest in the Alberta Centre for Child, Family and Community Research to establish an endowment in support of a research foundation.

The ministry will continue to promote the Cross-Ministry Aboriginal Policy Initiative. It will negotiate child welfare agreements with First Nations, and work with the Metis Nation Association and Metis Settlements to build on the strengths of aboriginal communities in designing, delivering and evaluating services to better meet the needs of aboriginal children, youth and communities.

All Albertans have an interest in making sure that our children grow into healthy, capable, and responsible adults with bright futures. We will continue to work with parents, communities, and all our partners to develop the strategic alliances needed to plan, deliver and assess services that promote positive outcomes for children and their families so that Alberta's children will be supported in reaching their potential.



Financial Information



children's services

Ministry of children's services

Consolidated Financial Statements

March 31, 2003

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Ministry of Children's Services

Auditor's Report



To the Members of the Legislative Assembly:

I have audited the consolidated statement of financial position of the Ministry of Children's Services as at March 31, 2003 and the consolidated statements of operations and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry of Children's Services as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Ministry of children's Services

Consolidated Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedule 1)			
Transfers from Government of Canada	\$ 136,615	\$ 105,983	\$ 120,657
Internal Government Transfers	25,000	25,000	1,200
Other	11,870	14,521	12,119
	<u>173,485</u>	<u>145,504</u>	<u>133,976</u>
Expenses (Schedules 3, 4 and 5)			
Ministry Support Services	13,622	13,596	14,635
Services for Children and Families	590,141	575,920	567,575
Family and Community Support	70,136	68,237	53,645
Valuation Adjustments	1,500		
Vacation Pay		615	2,655
Doubtful Accounts		606	181
	<u>675,399</u>	<u>658,974</u>	<u>638,691</u>
Total Expenses			
	<u>675,399</u>	<u>658,974</u>	<u>638,691</u>
Net Operating Results			
	<u>\$ (501,914)</u>	<u>\$ (513,470)</u>	<u>\$ (504,715)</u>

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Children's Services

Consolidated Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 35,261	\$ 21,439
Accounts Receivable (Note 3)	15,346	17,025
Advances	424	429
Capital Assets (Note 4)	2,271	2,025
	<u>\$ 53,302</u>	<u>\$ 40,918</u>
Liabilities		
Unearned Revenue	\$ -	\$ 121
Accounts Payable and Accrued Liabilities	73,478	50,455
	<u>73,478</u>	<u>50,576</u>
Net Liabilities		
Net Assets (Liabilities) at Beginning of Year	(9,658)	2,440
Net Operating Results	(513,470)	(504,715)
Net Transfer from General Revenues	502,952	492,617
	<u>(20,176)</u>	<u>(9,658)</u>
	<u>\$ 53,302</u>	<u>\$ 40,918</u>

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Children's Services

Consolidated Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions		
Net Operating Results	\$ (513,470)	\$ (504,715)
Non-Cash Items		
Amortization of Capital Assets	991	1,024
Valuation Adjustments	1,221	2,836
	(511,258)	(500,855)
Decrease in Accounts Receivable (a)	1,073	2,613
Decrease in Advances	5	127
Increase (Decrease) in Unearned Revenue	(121)	103
Increase in Accounts Payable (a)	22,408	13,173
Cash Used by Operating Transactions	(487,893)	(484,839)
Investing Transactions		
Purchase of Capital Assets	(1,237)	(1,544)
Transfer of Capital Asset to another Ministry	-	11
Cash Used by Investing Transactions	(1,237)	(1,533)
Financing Transactions		
Cash Provided by Net Transfer from General Revenues	502,952	492,617
Net Cash Provided	13,822	6,245
Cash, Beginning of Year	21,439	15,194
Cash, End of Year	\$ 35,261	\$ 21,439

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Children's Services

Notes to the Consolidated Financial Statements

For the year ended March 31, 2003

Note 1 Ministry and Purpose

The Ministry of Children's Services has been designated as responsible for various Acts by the Government Organization Act and its regulations. To fulfill these responsibilities, the Ministry consists of the organizations listed below.

Organization

Department of Children's Services
18 Child and Family Services Authorities (CFSAs)

Legislation

Government Organization Act
Child and Family Services Authorities Act

The Ministry provides community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration, partnerships and sharing resources.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Other authoritative pronouncements, accounting literature and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Ministry of Children's Services for which the Minister of Children's Services is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting. Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

Monetary donations received from external sources are recorded as revenue when received.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's dedicated revenue initiatives.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Ministry of Children's Services

Notes to the Consolidated Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents. In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses include:

- amortization of capital assets;
- pension costs which comprise the cost of employer contributions for current service of employees during the year;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 7.

Assets

Financial assets of the Ministry are financial claims such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their book values.

Net Assets/Liabilities

Net assets/liabilities represents the difference between the value of assets held by the Ministry and its liabilities.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts receivable recorded as \$15,346 and accounts payable and accrued liabilities of \$73,478 in these financial statements are subject to measurement uncertainty. These amounts have been estimated based on information available at the time these financial statements were produced.

Ministry of Children's Services

Notes to the Consolidated Financial Statements

For the year ended March 31, 2003

Note 3 Accounts Receivable

	(In thousands)			2002 Net Realizable Value
	2003 Gross Amount	2003 Allowance for Doubtful Accounts	2003 Net Realizable Value	
Accounts Receivable	\$ 16,913	\$ 2,308	\$ 14,605	\$ 12,734
Refunds from Suppliers	741	-	741	4,291
	<u>\$ 17,654</u>	<u>\$ 2,308</u>	<u>\$ 15,346</u>	<u>\$ 17,025</u>

Accounts receivable are unsecured and non-interest bearing.

Note 4 Capital Assets

	Estimated useful Life	(In thousands)			2002 Net Book Value
		2003 Cost	2003 Accumulated Amortization	2003 Net Book Value	
Vehicle	3 - 5 years	\$ 89	\$ 45	\$ 44	\$ 56
Computers/ Systems/Equipment	5 - 10 years	13,046	10,819	2,227	1,969
		<u>\$ 13,135</u>	<u>\$ 10,864</u>	<u>\$ 2,271</u>	<u>\$ 2,025</u>

Note 5 Commitments

At March 31, 2003, the Ministry has the following commitments:

	(In thousands)	
	2003	2002
Service contracts	\$ 2,420	\$ 4,448
Long-term leases	\$ 1,807	\$ 2,205

Ministry of children's services

Notes to the Consolidated Financial Statements

For the year ended March 31, 2003

Note 5 Commitments (Continued)

- (a) The Ministry leases certain equipment and vehicles under operating leases that expire at various dates to 2008. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2004	\$	902
2005	\$	543
2006	\$	288
2007	\$	71
2008	\$	3

Note 6 Contingencies (In thousands)

At March 31, 2003, the Ministry is a defendant in 80 claims (2002 - 76 claims). Seventy-two of these claims have specified amounts totaling \$1,306,265 and the remaining eight have not specified any amount (2002 - 66 claims with a specified amount of \$219,567 and ten with no specified amount).

Included in the total claims are 40 claims amounting to \$265,915 in which the Ministry has been jointly named with other entities. Fifty-five claims amounting to \$232,149 are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 7 Defined Benefit Plans (In thousands)

The Ministry participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$6,892 for the year ending March 31, 2003 (2002 - \$6,614).

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of \$301,968 (2001 - \$5,338) and the Public Service Pension Plan reported an actuarial deficiency of \$175,528 (2001 - actuarial surplus of \$320,487).

At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$6,472 (2001 - actuarial deficiency of \$399).

The Ministry also participates in two multiemployer Long Term Disability Income Continuance Plans. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of \$14,434 (2002 - \$8,646) and the Management Opted Out and Excluded Plan an actuarial deficiency of \$3,053 (2002 - \$2,656). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 8 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 9 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of children's services

Revenues

For the year ended March 31, 2003

Schedule 1

	(In thousands)		2002 Actual
	2003 Budget	Actual	
Transfers from Government of Canada			
Canada Health and Social Transfer	\$ 111,379	\$ 79,897	\$ 96,779
Services to On-Reserve Status Indians	11,636	11,593	10,825
Child Welfare Special Allowance	13,600	14,493	13,053
	<u>136,615</u>	<u>105,983</u>	<u>120,657</u>
Internal Government Transfers			
Transfer from Lottery Fund	25,000	25,000	1,200
Other Revenue			
Refunds of Expenditure			
First Nation Agencies Recoveries		5,658	6,069
Other Refunds		4,406	2,366
Other		4,457	3,684
	<u>11,870</u>	<u>14,521</u>	<u>12,119</u>
Total Revenues	<u>\$ 173,485</u>	<u>\$ 145,504</u>	<u>\$133,976</u>

Ministry of Children's Services

Schedule 2

Dedicated Revenue Initiatives

For the year ended March 31, 2003

	(In thousands)		
	2003		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	(Shortfall)
Services to On-Reserve Status Indians	\$ 19,000	\$ 17,251	\$ (1,749)
Parent / Guardian Maintenance Payments	400	221	(179)
	<u>\$ 19,400</u>	<u>\$ 17,472</u>	<u>\$ (1,928)</u>

Services to On-Reserve Status Indians

Recoveries from the Government of Canada and from Delegated First Nation Agencies for children identified as ordinarily living on a reserve.

Parent / Guardian Maintenance Payments

Recoveries from parents or guardians for children in care of the Government.

The revenues and expenses related to the dedicated revenue initiatives are included in the Ministry's revenue and expenses.

(1) Shortfall is deducted from the current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

Ministry of Children's Services

Expenses - Directly Incurred Detailed by Object

For the year ended March 31, 2003

Schedule 3

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Salaries, Wages and Employee Benefits	\$ 139,445	\$ 142,197	\$ 138,655
Supplies and Services	423,780	399,543	396,755
Grants	108,654	114,827	102,207
Supplies and Services from Support Service			
Arrangements with Related Parties ^(a)	868	2,060	1,120
Financial Transactions and Other	130	135	128
Amortization of Capital Assets	1,022	991	1,024
Valuation adjustments	1,500		
Vacation pay		615	2,655
Doubtful accounts		606	181
	<u>675,399</u>	<u>660,974</u>	<u>642,725</u>
Less: Recovery from Alberta Health and Wellness	-	(2,000)	(2,000)
Recovery from Alberta Human Resources and Employment	-	-	(2,034)
Total Expenses	<u>\$ 675,399</u>	<u>\$ 658,974</u>	<u>\$ 638,691</u>

(a) The Ministry received program services from the Ministry of Community Development (Persons with Developmental Disabilities Board).

Ministry of children's services

Schedule 4

Budget

For the year ended March 31, 2003

	(In thousands)		
	2002 - 2003 Estimates	Adjustment	2002 - 2003 Authorized Budget
Revenues			
Transfer from Government of Canada	\$ 136,615	\$ -	\$ 136,615
Internal Government Transfers	25,000	-	25,000
Other	11,870	-	11,870
	<u>173,485</u>	<u>-</u>	<u>173,485</u>
Expenses - Directly Incurred:			
Ministry Support	13,622	-	13,622
Services to Children and Families	590,141	-	590,141
Family and Community Support Services	70,136	-	70,136
Dedicated Revenue Shortfall (Schedule 2)	-	(1,928)	(1,928)
Valuation Adjustments	1,500	-	1,500
Vacation Pay			
Doubtful Accounts			
	<u>675,399</u>	<u>(1,928)</u>	<u>673,471</u>
Total Expenses			
	<u>675,399</u>	<u>(1,928)</u>	<u>673,471</u>
Net Operating Results	\$ (501,914)	\$ 1,928	\$ (499,986)
Capital Investments	\$ -	\$ -	\$ -

Ministry of children's services

Comparison of Expenses - Directly Incurred by Element to Authorized Budget

Schedule 5

For the year ended March 31, 2003

	(In thousands)				
	2002 - 2003 Estimates	Adjustment	2002-2003 Authorized Budget	2002-2003 Actual Expense	Unexpended (Over Expended)
Expenses and Capital Investment:					
Ministry Support Services					
Minister's Office	\$ 300	\$ -	\$ 300	\$ 300	\$ -
Deputy Minister's Office	380	-	380	380	-
Office of the Children's Advocate	1,800	-	1,800	1,968	(168)
Partnership, Aboriginal Support, and Intergovernmental Relations	912	-	912	810	102
Accountability and Provincial Standards	395	-	395	447	(52)
Corporate Administration	9,835	-	9,835	9,691	144
	13,622	-	13,622	13,596	26
Services for Children and Families					
Program Support Services	31,851	-	31,851	35,988	(4,137)
Child Welfare	365,589	-	365,589	361,332	4,257
Services to Children with Disabilities	62,069	-	62,069	62,860	(791)
Child Care	60,276	-	60,276	55,542	4,734
Early Intervention	51,230	-	51,230	39,565	11,665
Prevention of Family Violence	11,161	-	11,161	14,280	(3,119)
Protection of Children Involved in Prostitution	5,622	-	5,622	4,293	1,329
Child and Family Services Authorities Governance	2,343	-	2,343	2,060	283
Dedicated Revenue Shortfall (Schedule 2)	-	(1,928)	(1,928)	-	(1,928)
	590,141	(1,928)	588,213	575,920	12,293
Family and Community Support					
Family and Community Support Services	57,476	-	57,476	56,667	809
Community Capacity Building	12,660	-	12,660	11,570	1,090
	70,136	-	70,136	68,237	1,899
Valuation Adjustments	1,500	-	1,500	1,221	279
Capital Investment	-	-	-	1,237	(1,237)
Total Expenses	\$ 675,399	\$ (1,928)	\$ 673,471	\$ 660,211	\$ 13,260

The Ministry has accrued achievement bonuses totalling \$1,261,000 for its management and opted out employees. This amount has been allocated to the relevant programs.

Ministry of children's services

Schedule 6

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Ministry. The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(In thousands)	
	2003	2002
Revenues:		
Internal Government Transfers	\$ 25,000	\$ 1,200
Recovery from Ministry of Community Development (Persons with Developmental Disabilities Board)	102	53
Recovery from Ministry of Human Resources and Employment	669	389
	<u>\$ 25,771</u>	<u>\$ 1,642</u>
Expenses:		
Ministry of Human Resources and Employment	\$ 763	\$ 1,204
Alberta Corporate Services Centre	16,928	15,426
Ministry of Innovation and Science	1,634	533
	<u>\$ 19,325</u>	<u>\$ 17,163</u>
Receivable from/(Payable to):		
Ministry of Community Development (Persons with Developmental Disabilities Board)	\$ (10)	\$ -
Ministry of Agriculture	(2)	-
Ministry of Justice	(5)	-
Ministry of Human Resources and Employment	37	57
	<u>\$ 20</u>	<u>\$ 57</u>
Capital Asset Transferred to Innovation and Science	<u>\$ -</u>	<u>\$ 11</u>

The Ministry receives services under contracts managed by the Ministry of Government Services (ACSC). Any commitments under these contracts are reported by the Ministry of Government Services (ACSC).

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service.

	(In thousands)	
	2003	2002
Expenses (notional):		
Accommodation	\$ 18,530	\$ 17,039
Legal Services	3,026	2,522
	<u>\$ 21,556</u>	<u>\$ 19,561</u>

Ministry of children's services

Allocated Costs

For the year ended March 31, 2003

Schedule 7

Program	(In thousands)							2002
	2003							
	Expenses - Incurred by Others			Valuation Adjustments ⁽¹⁾		Total	Total	
	Accommodation	Legal	Vacation	Doubtful				
	Expenses ⁽²⁾	Costs ⁽²⁾	Services ⁽³⁾	Pay	Accounts	Expenses	Expenses	
Ministry Support	\$ 13,596	\$ 595	\$ -	\$ 20	\$ -	\$ 14,211	\$ 15,564	
Services for Children and Families	575,920	17,266	3,026	573	606	597,391	589,027	
Family and Community Support Services	68,237	669	-	22	-	68,928	53,661	
	\$ 657,753	\$ 18,530	\$ 3,026	\$ 615	\$ 606	\$ 680,530	\$ 658,252	

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the buildings costs allocated by the number of employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:

- Vacation Pay - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts - estimated expenses incurred by each program.

children's services

Department of Children's Services

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Department of Children's Services

Auditor's Report



To the Minister of Children's Services:

I have audited the statement of financial position of the Department of Children's Services as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department of Children's Services as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.



FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Department of children's services

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedule 1)			
Transfers from Government of Canada	\$ 136,339	\$ 105,983	\$ 120,657
Internal Government Transfers	25,000	25,000	1,200
Other	8,100	7,031	7,476
	<u>169,439</u>	<u>138,014</u>	<u>129,333</u>
Expenses			
Voted (Schedules 3, 4 and 5)			
Ministry Support Services	13,662	13,562	14,615
Services for Children and Families	596,711	583,320	579,332
Family and Community Support	62,695	61,292	46,649
	<u>673,068</u>	<u>658,174</u>	<u>640,596</u>
Statutory			
Valuation Adjustments			
Vacation Pay		205	998
Doubtful Accounts		606	181
	<u>1,500</u>	<u>811</u>	<u>1,179</u>
Total Expenses	<u>674,568</u>	<u>658,985</u>	<u>641,775</u>
Net Operating Results	<u>\$ (505,129)</u>	<u>\$ (520,971)</u>	<u>\$ (512,442)</u>

The accompanying notes and schedules are part of these financial statements.

Department of Children's Services

Statement of Financial Position

As at March 31, 2003

Assets

Cash

Accounts Receivable (Note 3)

Advances

Capital Assets (Note 4)

(In thousands)

2003

2002

\$	902	\$	177
	14,154		11,613
	412		416
	2,082		1,750
\$	<u>17,550</u>	\$	<u>13,956</u>

Liabilities

Accounts Payable and Accrued Liabilities

\$	53,746	\$	32,133
----	--------	----	--------

Net Liabilities

Net Assets (Liabilities) at Beginning of Year

Net Operating Results

Net Transfer from General Revenues

Net Liabilities at End of Year

(18,177)	1,648
(520,971)	(512,442)
<u>502,952</u>	<u>492,617</u>
(36,196)	(18,177)
\$ 17,550	\$13,956

The accompanying notes and schedules are part of these financial statements.

Department of children's Services

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions		
Net Operating Results	\$ (520,971)	\$ (512,442)
Non-Cash Items		
Amortization of Capital Assets	869	900
Valuation Adjustments	811	1,179
	(519,291)	(510,363)
Increase (Decrease) in Accounts Receivable ^(a)	(3,147)	6,229
Decrease in Advances	4	121
Increase in Accounts Payable ^(a)	21,408	12,527
Cash Used by Operating Transactions	(501,026)	(491,486)
Investing Transactions		
Purchase of Capital Assets	(1,201)	(1,167)
Transfer of Capital Asset to another Ministry	—	11
Cash Used by Investing Transactions	(1,201)	(1,156)
Financing Transactions		
Cash Provided by Net Transfer from General Revenues	502,952	492,617
Net Cash Provided/(Used)	725	(25)
Cash, Beginning of Year	177	202
Cash, End of Year	\$ 902	\$ 177

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Department of Children's Services

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Department and Purpose

The Department of Children's Services operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Department is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration partnerships and sharing resources.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Other authoritative pronouncements, accounting literature and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Department of Children's Services, which is part of the Ministry of Children's Services and for which the Minister of Children's Services is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues must be shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Department may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Department's dedicated revenue initiatives.

Department of Children's Services

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses include:

- amortization of capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Department's operations are disclosed in Schedule B.

Assets

Financial assets of the Department are financial claims such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, travel advances, and accounts payable and accrued liabilities are estimated to approximate their book values.

Net Assets/Liabilities

Net assets/liabilities represents the difference between the value of assets held by the Department and its liabilities.

Department of children's Services

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts receivable recorded as \$14,154 and accounts payable and accrued liabilities of \$53,746 in these financial statements are subject to measurement uncertainty. These amounts have been estimated based on information available at the time these financial statements were produced.

Note 3 Accounts Receivable

	(In thousands)			2002 Net Realizable Value
	2003 Gross Amount	2003 Allowance for Doubtful Accounts	2003 Net Realizable Value	
Accounts Receivable	\$ 15,926	\$ 2,308	\$ 13,618	\$ 10,857
Refunds from Suppliers	536	-	536	756
	<u>\$ 16,462</u>	<u>\$ 2,308</u>	<u>\$ 14,154</u>	<u>\$ 11,613</u>

Accounts receivable are unsecured and non-interest bearing.

Note 4 Capital Assets

	Estimated useful Life	Cost	(In thousands)		2002 Net Book Value
			2003 Accumulated Amortization	2003 Net Book Value	
Computer/Systems	5 - 10 years	\$ 12,706	\$ 10,624	\$ 2,082	\$ 1,750

Note 5 Commitments

At March 31, 2003, the Department has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases	<u>\$ 133</u>	<u>\$ 485</u>

The above commitments relate to vehicle leases. These leases will expire at various intervals over the next three years; however, it is the Department's intention to maintain fleet inventory at present levels.

Department of children's services

Notes to the Financial Statements

For the year ended March 31, 2003

Note 5 Commitments (Continued)

The estimated annual payments for existing leases for the next five years are as follows:

	(In thousands)	
2004	\$	75
2005	\$	47
2006	\$	11

Note 6 Contingencies (In thousands)

At March 31, 2003, the Department is a defendant in 80 claims (2002 - 76 legal claims). Seventy-two of these claims have specified amounts totaling \$1,306,265 and the remaining eight have not specified any amount (2002 - 66 claims with a specified amount of \$219,567 and ten with no specified amount).

Included in the total legal claims are 40 claims amounting to \$265,915 in which the Department has been jointly named with other entities. Fifty-five claims amounting to \$232,149 are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 7 Defined Benefit Plans (In thousands)

The Department participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$1,404 for the year ending March 31, 2003 (2002 - \$1,351).

At December 31, 2002, the Management Employees Pension Plan reported a deficiency of \$301,968 (2001 - surplus of \$5,338) and the Public Service Pension Plan reported an actuarial deficiency of \$175,528 (2001 - actuarial surplus of \$320,487).

At December 31, 2002, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of \$6,472 (2001 - actuarial deficiency of \$399).

The Department also participates in two multiemployer Long Term Disability Income Continuance Plans. At March 31, 2003, the Bargaining Unit Plan reported an actuarial deficiency of \$14,434 (2002 - \$8,646) and the Management, Opted Out and Excluded Plan an actuarial deficiency of \$3,053 (2002 - \$2,656). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 8 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 9 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Department of children's services

Revenues

For the year ended March 31, 2003

Schedule 1

	(In thousands)		2002 Actual
	2003 Budget	Actual	
Transfers from Government of Canada			
Canada Health and Social Transfer	\$ 111,379	\$ 79,897	\$ 96,779
Services to On-Reserve Status Indians	11,360	11,593	10,825
Child Welfare Special Allowance	13,600	14,493	13,053
	<u>136,339</u>	<u>105,983</u>	<u>120,657</u>
Internal Government Transfers			
Transfer from Lottery Fund	25,000	25,000	1,200
Other Revenue			
Refunds of Expenditure	7,700		
First Nations Agencies Recoveries		5,658	6,069
Other Refunds		1,152	1,372
Other	400	221	35
	<u>8,100</u>	<u>7,031</u>	<u>7,476</u>
Total Revenues	<u>\$ 169,439</u>	<u>\$ 138,014</u>	<u>\$ 129,333</u>

Department of children Services

Schedule 2

Dedicated Revenue Initiatives

For the year ended March 31, 2003

	(In thousands)		
	2003		
Authorized Dedicated Revenues	Actual Dedicated Revenues	(Shortfall)	
Services to On-Reserve Status Indians	\$ 19,000	\$ 17,251	\$ (1,749)
Parent / Guardian Maintenance Payments	400	221	(179)
<u>\$ 19,400</u>	<u>\$ 17,472</u>	<u>\$ (1,928)</u>	

Services to On-Reserve Status Indians

Recoveries from the Government of Canada and from Delegated First Nation Agencies for children identified as ordinarily living on a reserve.

Parent / Guardian Maintenance Payments

Recoveries from parents or guardians for children in care of the Government.

The revenues and expenses related to the dedicated revenue initiatives are included in the Department's revenue and expenses.

(1) Shortfall is deducted from the current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

Department of children's Services

Expenses - Directly Incurred Detailed by Object

For the year ended March 31, 2003

Schedule 3

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Voted:			
Salaries, Wages and Employee Benefits	\$ 19,332	\$ 17,217	\$ 17,041
Supplies and Services	74,475	60,586	53,663
Grants	578,146	579,410	568,906
Financial Transactions and Other	93	92	86
Amortization of Capital Assets	1,022	869	900
Total Voted Expenses	673,068	658,174	640,596
Statutory:			
Valuation adjustments			
Vacation pay		205	998
Doubtful accounts		606	181
Total Statutory Expenses	1,500	811	1,179
Total Expenses	\$ 674,568	\$ 658,985	\$ 641,775

Department of children's services

Schedule 4

Budget

For the year ended March 31, 2003

	(In thousands)		
	2002 - 2003 Estimates	Adjustment	2002 - 2003 Authorized Budget
Revenues			
Transfer from Government of Canada	\$ 136,339	\$ -	\$ 136,339
Internal Government Transfers	25,000	-	25,000
Other	8,100	-	8,100
	<u>169,439</u>	<u>-</u>	<u>169,439</u>
Expenses - Directly Incurred:			
Voted			
Ministry Support Services	13,662	-	13,662
Services to Children and Families	596,711	-	596,711
Family and Community Support	62,695	-	62,695
Dedicated Revenue Shortfall (Schedule 2)	-	(1,928)	(1,928)
	<u>673,068</u>	<u>(1,928)</u>	<u>671,140</u>
Statutory			
Valuation adjustments			
Doubtful Accounts			
Vacation Pay			
	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Total Expenses	<u>674,568</u>	<u>(1,928)</u>	<u>672,640</u>
Net Operating Results	<u>\$ (505,129)</u>	<u>\$ 1,928</u>	<u>\$ (503,201)</u>
Capital Investment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Department of children's services

Comparison of Expenses Directly Incurred by Element Compared to Authorized Budget

Schedule 5

For the year ended March 31, 2003

	(In thousands)				
	2002 - 2003 Estimates	Adjustment	2002-2003 Authorized Budget	2002-2003 Actual Expense	Unexpended (Over Expended)
Voted:					
Ministry Support Services					
Minister's Office	\$ 300	\$ -	\$ 300	\$ 300	\$ -
Deputy Minister's Office	380	-	380	380	-
Office of the Children's Advocate	1,800	-	1,800	1,968	(168)
Partnership, Aboriginal Support, and Intergovernmental Relations	912	-	912	810	102
Accountability and Provincial Standards	395	-	395	447	(52)
Corporate Administration	9,875	-	9,875	9,657	218
	13,662	-	13,662	13,562	100
Services for Children and Families					
Program Support					
Program Support	30,753	-	30,753	32,348	(1,595)
Alberta Response Model Implementation	1,890	-	1,890	650	1,240
Social Care Facilities Review Committee	310	-	310	374	(64)
Child Welfare Act Review	350	-	350	319	31
Provincial Programs					
Corporate Adoption Services	704	-	704	659	45
Early Intervention - On Reserve	1,855	-	1,855	1,721	134
Protection of Children Involved in Prostitution	5,622	-	5,622	4,291	1,331
Early Childhood Development Initiative	10,000	-	10,000	4,800	5,200
Youth in Care Transition to Independent Living	1,250	-	1,250	911	339
Mentoring for Parents	-	-	-	152	(152)
Fetal Alcohol Initiative	1,800	-	1,800	1,269	531
Siksika Family Services Corporation	2,155	-	2,155	2,155	-
Financial Support to Child and Family Services Authority					
Sun Country	25,926	-	25,926	25,634	292
Southeast Alberta	14,563	-	14,563	14,580	(17)
Windsong	7,489	-	7,489	7,439	50
Calgary Rocky View	136,948	-	136,948	135,838	1,110
Hearthstone	7,437	-	7,437	7,387	50
Diamond Willow	28,179	-	28,179	28,404	(225)
Ribstone	11,668	-	11,668	11,551	117
West Yellowhead	13,732	-	13,732	14,424	(692)
Keystone	9,728	-	9,728	9,253	475
Ma'mowe Capital Region	183,358	-	183,358	182,468	890
Sakaw - Askiy	18,719	-	18,719	19,662	(943)
Sakaigun Askiy	16,407	-	16,407	14,384	2,023
Region 13	15,112	-	15,112	15,175	(63)
Region 14	4,222	-	4,222	4,397	(175)
Neeqan Awas'sak	7,579	-	7,579	7,511	68
Awassak	8,409	-	8,409	8,794	(385)
Silver Birch	3,933	-	3,933	3,933	-
Metis Settlements	3,927	-	3,927	3,926	1
Assembly of Co Chairs	536	-	536	326	210
Services on First Nations Reserves	20,500	-	20,500	18,583	1,917
Community Response Teams	1,250	-	1,250	2	1,248
Parent/Guardian Maintenance Payments	400	-	400	-	400
Dedicated Revenue Shortfall (Schedule 2)	-	(1,928)	(1,928)	-	(1,928)
	596,711	(1,928)	594,783	583,320	11,463
Family and Community Support					
Program Support	172	-	172	8	164
Financial Assistance to Communities and Organizations					
Operating Expense	32,304	-	32,304	31,659	645
Operating Expense funded by Lotteries	25,000	-	25,000	25,000	-
Community Capacity Building	4,911	-	4,911	4,472	439
Youth Secretariat	308	-	308	153	155
	62,695	-	62,695	61,292	1,403
New Capital Investment	-	-	-	1,201	(1,201)
Total Voted Expenditures	673,068	(1,928)	671,140	659,375	11,765
Statutory:					
Valuation Adjustments	1,500	-	1,500	811	689
Total Expenses	\$ 674,568	\$ (1,928)	\$ 672,640	\$ 660,186	\$ 12,454

The Department has accrued achievement bonuses totalling \$661,000 for management and opted out employees. This has been allocated to the relevant programs.

Department of children's services

Schedule 6

Salary and Benefits Disclosure

For the year ended March 31, 2003

	(In thousands)			
	Salary ⁽¹⁾	2003 Benefits and Allowances	Total	2002 Total
Senior Officials				
Deputy Minister ⁽¹⁾	\$ 176	\$ 49	\$ 225	\$ 204
Assistant Deputy Ministers				
Strategy and Support Services	\$ 138	\$ 28	\$ 166	\$ 143
Accountability, Aboriginal Support				
Intergovernmental Relations	\$ 136	\$ 32	\$ 168	\$ 154
Partnership and Innovation	\$ 127	\$ 28	\$ 155	\$ 142
Children's Advocate	\$ 103	\$ 18	\$ 121	\$ 133

Total salary and benefits relating to a position are disclosed.

- (1) Salary includes regular base pay, bonuses, and lump sum payments.
- (2) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.
- (3) Automobile provided; no dollar amount included in benefits and allowance figures.

Department of children's services

Related Party Transactions

For the year ended March 31, 2003

Schedule 7

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Internal Government Transfers	\$ -	\$ -	\$ 25,000	\$ 1,200
Expenses:				
Grants to Child and Family Services Authorities (CFSAs)	514,554	516,217	-	-
Grants to CFSAs re Parental Contributions	205	-	-	-
Grants to CFSAs re Teacher's Labour Dispute	-	67	-	-
Reimbursements - Resident on Reserve (CFSAs)	18,583	19,507	-	-
Home Visitation Grants (CFSAs)	-	1,650	-	-
Crisis Line (Ma'mowe Capital Region CFSA)	-	873	-	-
Alberta Corporate Service Centre	-	-	16,816	15,426
Ministry of Human Resources & Employment	-	-	763	1,204
Ministry of Innovation & Science	-	-	1,634	533
	<u>\$ 533,342</u>	<u>\$ 538,314</u>	<u>\$ 19,213</u>	<u>\$ 17,163</u>
Receivable from/(Payable to):				
Child and Family Services Authorities	\$ 151	\$ 38	\$ -	\$ -
Child and Family Services Authorities	(13,754)	(13,648)	-	-
	<u>\$ (13,603)</u>	<u>\$ (13,610)</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Asset Transferred to Innovation and Science

\$ - \$ 11

The Department receives services under contracts managed by the Department of Government Services (ACSC). Any commitments under these contracts are reported by the Department of Government Services (ACSC)

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 8.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 1,893	\$ 1,283
Legal Services	263	92
	<u>\$ 2,156</u>	<u>\$ 1,375</u>

Department of children's services

Schedule 8

Allocated Costs

For the year ended March 31, 2003

Program	(In thousands)						
	2003						2002
	Expenses - Incurred by Others			Valuation Adjustments ⁽¹⁾			Total Expenses
	Expenses ⁽²⁾	Accommodation Costs ⁽³⁾	Legal Services ⁽⁴⁾	Vacation Pay	Doubtful Accounts	Total Expenses	
Ministry Support	\$ 13,562	\$ 690	\$ -	\$ 75	\$ -	\$ 14,327	\$ 15,562
Services for Children and Families	583,320	941	263	102	606	585,232	580,923
Family and Community Support Services	61,292	262	-	28	-	61,582	46,665
	<u>\$ 658,174</u>	<u>\$ 1,893</u>	<u>\$ 263</u>	<u>\$ 205</u>	<u>\$ 606</u>	<u>\$ 661,141</u>	<u>\$ 643,150</u>

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Expenses include administration costs totaling \$4,793 (2002 - \$4,481) for financial, human resources, and administrative services, which were provided by a Regional Service Center (Alberta Corporate Service Centre) to the Child and Family Service Authorities, that were paid for by the Department of Children's Services. The Child and Family Service Authorities Allocated Costs schedules include the administration costs paid on their behalf by the Department of Children's Services.

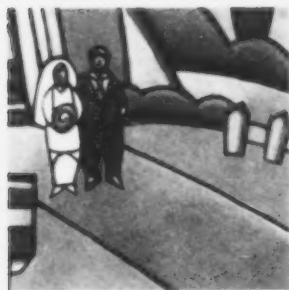
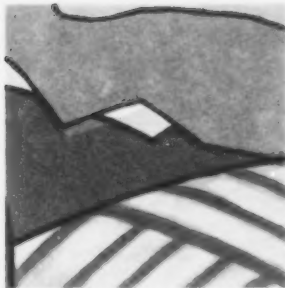
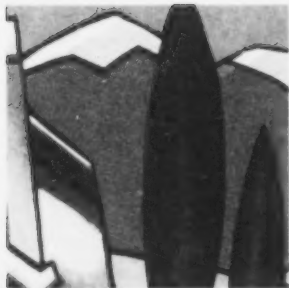
(3) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the buildings costs allocated by the number of employees per program.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:

- Vacation Pay - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts - estimated expenses incurred by each program.





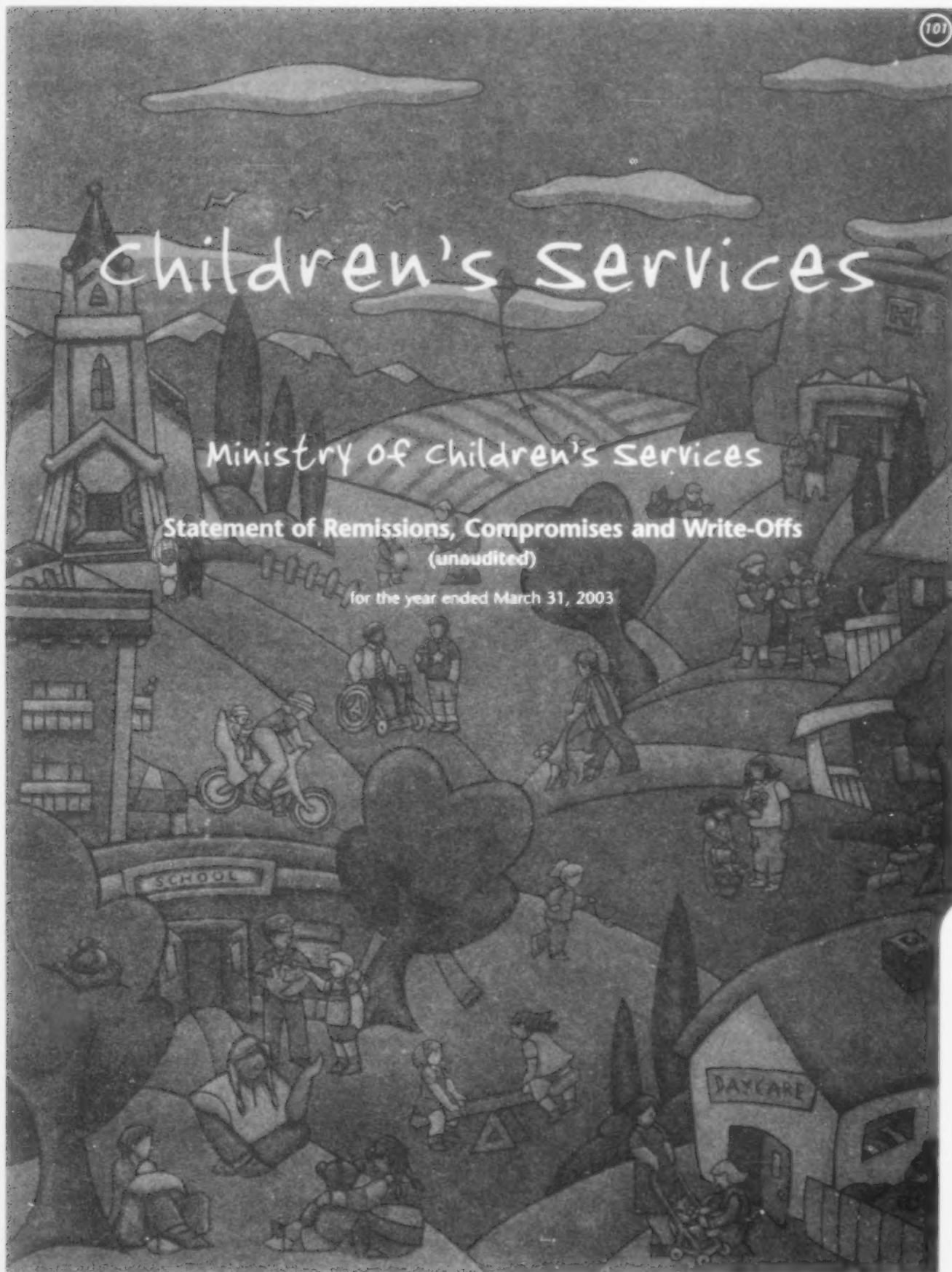
other
Information

Children's Services

Ministry of Children's Services

Statement of Remissions, Compromises and Write-Offs
(unaudited)

for the year ended March 31, 2003



Ministry of children's services

Statement of Remissions, Compromises and Write-Offs

for the year ended March 31, 2003

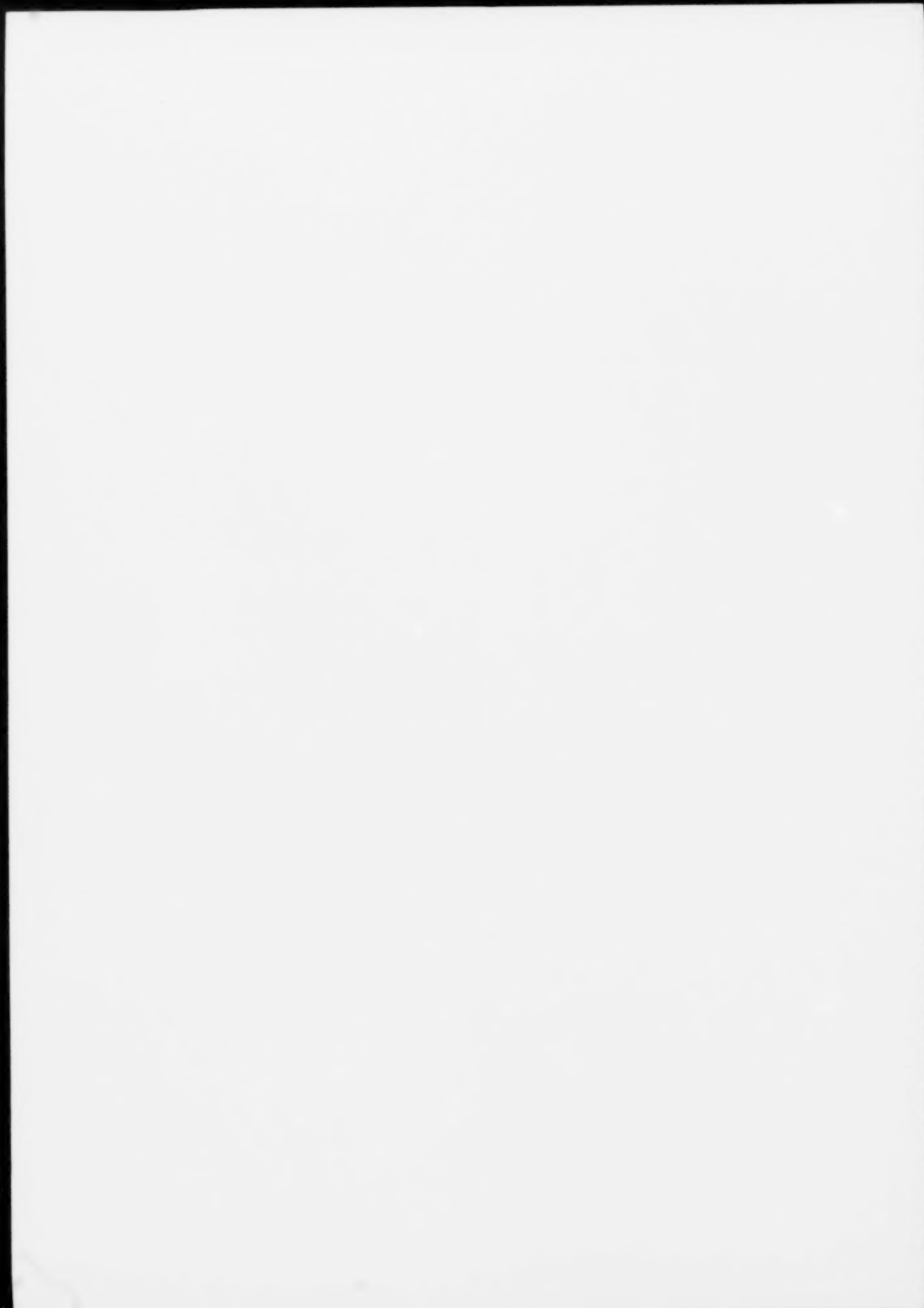
The following statement has been prepared pursuant to section 28 of the *Financial Administration Act*. The statement includes all remissions, compromises and write-offs the Ministry of Children's Services made or approved during the fiscal year.

	(In thousands)
	2003
Remissions under section 26 of the Financial Administration Act:	\$ -
Permanent Write-offs	\$ -
Compromises under section 27 of the Financial Administration Act:	\$ -
Bankruptcies	\$ -
Write-offs:	
Daycare Subsidy Program	\$ 191
Total	\$ 191

Note: This schedule is supplementary information only, and not part of the audited financial statements.



Appendices



Appendix 1:

Glossary of Terms

Annual Report – A document produced by government ministries reporting on progress made during the past fiscal year and measuring the performance of all facets of the organization against goals set out in the ministry business plan.

Business Plan – A strategic document created to give direction to an organization. It presents a clear vision of the overall goals of the organization and outlines how the performance of the organization will be measured.

Children in Care – Children who have been deemed in need of protection, requiring state intervention, as determined by provincial legislation.

Group Care – Non-family based group care (staffed), usually limited to six to nine residents in a home/facility.

Residential Treatment Care – Facility with common treatment focus providing prescribed, often time-limited large-group care. Focus may be on specific maladjustment behaviours, mental health conditions, young offenders, youth, children.

Adoptive Care – Permanent family, legal guardianship rest with adoptive parents. Contact with birth family is dictated by terms of adoption; open or closed adoption.

Foster Care – Provision of care by a family, other than a parent or guardian of a child, approved and arranged by a child welfare authority, to provide care and supervision of a child in care.

Permanency – One of Children's Services main objectives is to see children who are in permanent government care adopted as quickly as possible into a stable, nurturing environment, preferably in a family setting. As part of the Alberta Response Model, the Child and Family Services Authorities will begin planning for permanency earlier when a child comes into care.

Permanency Planning – Provides a goal-oriented, systematic process for placing children as quickly as possible into suitable family settings. This will provide continuity of relationships with parents or caregivers, and the opportunity to develop lifetime relationships. For those families welcoming children and youth into their family unit, the appropriate supports are available to them.

Preservation – Children's Services is responsible for providing family supports whenever families are perceived to be at risk. Preservation of the family unit is part of Children's Services vision for the future.

Home Visitation – An ECD program where one-on-one support is provided in the family home to enhance parenting skills, provide information on child development, promote child health and other aspects of positive family functioning.

Child Protection Services – Delegated authorities empowered to provide mandated intervention, based upon legislated definitions of children in need of protection; i.e. children exposed to maltreatment, suspected or confirmed child abuse or neglect.

Differential Response – A new approach to case management under the Alberta Response Model, helps in identifying vulnerable children and families early and mobilizing the necessary support services before a crisis occurs. Those children at lower risk, along with their families, will be supported and strengthened through their community or neighbourhood network. This will help more parents fulfill their natural role and responsibilities as caregivers for their children.

Family and Community Support Services (FCSS) – An 80/20 funding partnership between the province and communities of municipalities and Metis Settlements. Under FCSS, communities design and deliver preventative social programs to promote and enhance well-being among individuals, families, and communities. The programs depend on community resources, often involving volunteers in management and delivery.

Family Group Conferencing – Brings together members of an individual's extended family and significant people in their community to collaborate on a plan to support the individual through their family crises towards a long-term solution. The agreed upon plan must be approved by a child welfare worker. At the same time, participants also agree on a concurrent plan: an option for permanent placement of children should the individual not be able to follow through on the agreed upon course of action.

Fetal Alcohol Spectrum Disorder (FASD) – Formerly referred to as Fetal Alcohol Syndrome. FASD is a recognized medical condition often including social, physical, learning, and developmental birth defects in children whose mothers drank alcohol when they were pregnant.

Early Childhood Development Strategy (ECD) – A cross-ministry initiative between Children's Services, Learning and Health. The goal of this strategy is to provide a range of health, social and learning programs and services for parents, families, and children from preconception to age six, to ensure that children get the best start in life. It is intended that investments in early childhood initiatives will strengthen parents' capacity to meet the needs of their children and to promote optimal child development.

Family Enhancement - Family Enhancement is a service delivered to a family that is having problems but is at a lower risk for abuse and neglect and more intrusive child protection investigation is not needed. Child and Family Services Authority staff will identify the needs of the child and the strengths of the family, the extended family and the community. The family will then be put in touch with the relevant community-based services to help them meet the needs of the child/children involved.

Kinship Care - Family relatives provide for the child, arranged through a child protection service provider.

Appendix z:

Performance Measures – Data Sources and Methodology

Child Welfare Information System (CWIS) - The system provides client-tracking capability (e.g., outcome of child protection investigation, placement type, legal authority, etc.) as well as documentation support for the five programs under the *Child Welfare Act*: child protection, adoptions, placement resources, unmarried parents, post adoption support, and protection of children involved in prostitution (PCHIP Act). CWIS is the data source for a number of the performance measures.

Child Care Information System (CCIS) - CCIS contains all pertinent information about licensed social care facilities in Alberta. Child Care Specialists use this system to maintain current information about the licensing and monitoring of all licensed social care facilities including day-care centres. CCIS also contains all data related to the Child Care Subsidy Program, Child Care Accreditation, Staff Qualifications Program, Claims Process, and Family Day Home Program.

Handicapped Children's Services Information System (HCSIS) - The system provides automated tracking of clients, services, commitments and expenditures. The system is designed to assist the front-line staff in case management and financial tracking by recording and printing agreements, addendums, and processing of invoices for payment. The system provides a province-wide client directory, a standard for services agreements, addendums and invoicing with accounting details, support for supplemental service clauses specific to regional and client needs, support for sealed files, and file transmission, as well as reporting.

Client Satisfaction Surveys - An external consultant was contracted through a request for proposal to conduct client surveys for four programs: Resources for Children with Disabilities, Foster Care, Adoption, and Child Care Subsidy.

Resources for Children with Disabilities (RCD) Survey - This survey was a mail-out/telephone follow-up survey. It was conducted between Oct. 21, 2002 and Nov. 28, 2002. RCD clients are defined as individuals who were in receipt of programs or services from the ministry as of August 2002. Program clients were identified through the HCSIS database. A census survey was used for 14 Child and Family Services Authorities (CFSAs) where client numbers were not large enough to warrant sampling procedures. In CFSAs with a large number of clients (CFA #4, 6, 7 and 10), a random

sample of RCD clients was surveyed. Out of a valid sample of 3,761 surveys, 2,648 were completed resulting in a response rate of 70.4 per cent for the province. The response rates for individual CFSAs ranged from 62.3 per cent to 85.7 per cent. The overall margin of error for the RCD survey is ± 1.5 per cent, 19 times out of 20.

Foster Care Program Survey - This survey was a mail-out/telephone follow-up survey. It was conducted between Oct. 21, 2002 and Nov. 28, 2002. Foster Care Program clients are defined as foster families or applicants who were in the CWIS database as of August 2002. A census survey was used for 16 CFSAs where client numbers were not large enough to warrant sampling procedures. In two CFSAs, Calgary Rocky View (Region 4) and Ma'möwe Capital Region (Region 10), random samples of clients were selected. The response rate for the Foster Care Program survey was 64.7 per cent. Out of a valid sample of 1,719 surveys, 1,112 were completed. The response rates for individual CFSAs ranged from 53.6 per cent to 80.6 per cent. The overall margin of error for the survey is ± 2.0 per cent, 19 times out of 20.

Adoption Program Survey - The Adoption Program survey was a telephone survey. It was conducted between Oct. 21, 2002 and Nov. 28, 2002. Adoption Program respondents were defined as individuals who had either submitted an application and were on the waiting list, were awaiting a home assessment, or whose application had been approved to adopt a child. Applicants were identified through the CWIS database. From a population of 787 clients, a random sample of 450 clients was drawn (150 from a group defined as "application received/waiting list; 150 from a group defined as "home assessment required"; and, 150 from a group defined as "application approved"). Out of a valid sample of 392 clients, 262 surveys were completed, resulting in a response rate of 66.8 per cent. Due to small client numbers, data was not collected at the regional level for this survey. The overall margin of error for this survey is ± 5.0 per cent, 19 times out of 20.

Child Care Subsidy Program Survey - The Child Care Subsidy Program survey is a telephone survey. It was conducted between March 6, 2002 and March 28, 2002. Child Care Subsidy Program clients surveyed were those who received subsidies for their children to attend Alberta day care facilities. The database used for this survey is CCIS. A mixed sampling approach was used that

depended on the number of clients in the CFSA. In CFSA regions that had a population of more than 300 clients, a random sample was drawn. Where the number of clients was under 300, all clients (a census) were included in the survey. When an appropriate sample was drawn, a quota number of completions was determined in each CFSA region. Clients in the sample were randomly contacted until the quota for each CFSA was reached. Out of a valid sample of 2,940 surveys, 2,223 were completed, resulting in a response rate of 76 per cent. The margin of error for the survey is +/- 1.8 per cent, 19 times out of 20.

Community Partners Survey – An external consultant was contracted through a request for proposal to conduct a Community Partners survey which was a telephone interview survey. It was conducted between Feb. 3, 2003 and Feb. 18, 2003. Community partners were defined as stakeholders who co-ordinate with their respective CFSA in serving children, youth and families within their community, or agencies contracted to the CFSA to facilitate co-ordination of service delivery. Each of the 17 participating CSFAs was asked to provide an extensive listing of such partners. Out of a total of 725 identified partners, 561 telephone surveys were completed, representing a 77 per cent response rate. Response rates for the CSFAs ranged from 60 per cent to 91 per cent. The margin of error for this survey is estimated to be ± 2.0 per cent, 19 times out of 20.

Aboriginal Community Partners Survey - The Aboriginal Community Partners survey was administered to key stakeholders who are involved in providing services to children, youth and families within aboriginal communities across Alberta. Specifically for the reporting of the ministry performance measure relating to aboriginal community partners' perception of community capacity to meet needs, a survey questionnaire was completed by individuals who attended focus groups in selected aboriginal communities representing Treaty 6, 7, and 8 Regions, and by individuals who participated in individual interviews. The survey project was conducted between January and April 2003. Ninety individuals completed the survey questionnaire, representing organizations involved in health, education, justice or agencies serving aboriginal and Metis children and families. Participating individuals were identified through consultation between the researcher and the

aboriginal/Metis communities. Communities and groups selected for participation included one Delegated First Nations Agency from each Treaty Region (Tsuu T'ina, Lesser Slave Lake, Paul First Nation), one off-reserve First Nation delivering child and family services (Siksika), Metis Child and Family Service Agencies in Edmonton and Calgary, and the Metis Settlement Child and Family Services Authority, and Indian and Northern Affairs Canada (INAC) representatives.

Women's Emergency Shelter Outcomes Exit Survey

- This survey was designed and implemented in 2002-03 to measure the impact of shelter services for all abused women who were at the end of their stay at Children's Services funded women's emergency shelters in 15 of 18 regions. The survey was conducted between September 2002 and March 31, 2003. A questionnaire was used in this survey. All abused women were asked to participate in the survey on exit from the shelter. From Sept. 1, 2002 to March 31, 2003, the total number of abused women with or without dependents admitted to and discharged from women's emergency shelters across the province was 2,481; the total number of valid responses to the survey questionnaire was 1,082. This constitutes a survey response rate of 43.6 per cent. This response rate represents a sample well within the confidence interval of +/- 5 per cent, 19 times out of 20 for margin of error.

Ma'môwe Capital Region CFSA Family Enhancement Program Family Outcome Questionnaire Survey

- The questionnaire survey is an integral part of Ma'môwe Capital Region CFSA Family Enhancement Program delivery. Child and Family Resource Workers are required to provide the Family Outcome Questionnaire to parents to give them an opportunity to convey their opinion of the services they received. The questionnaire format is a combination of multiple choice and optional open-ended questions. The parent may choose to give their name for follow-up. The questionnaire is provided to parents on the worker's visit at closure of Family Enhancement services. The worker collects the completed questionnaire in a sealed envelope on his/her follow-up visit scheduled with the family four weeks after the closure visit. Opportunity and if necessary, assistance is offered to complete the questionnaire during the follow-up visit if the family has not done so. Established procedures to safeguard confidentiality and to ensure unbiased responses are followed.

Appendix 3:

Child Welfare Appeal Panel

The Child Welfare Act provides for administrative

appeals of certain child welfare decisions made by a Child and Family Services

Authority. Such appeals are heard by the Child Welfare Appeal Panel.

The following is a summary of Child Welfare Appeal Panel decisions for the

2002-03 fiscal year, one for Child Welfare appeals, and the other for Handicapped

Children's Services (Resources for Children with Disabilities) appeals.

Child Welfare Appeals

Reversed	8
Upheld	15
Varied	4
No Jurisdiction	13
Withdrawn	71
Adjourned Sine Die	4
Pending	24
Total	139

Handicapped Children's Services Appeals

Reversed	10
Upheld	41
Varied	0
No Jurisdiction	16
Withdrawn	90
Pending	76
Total	233

Appendix 4:

Child and Family Services Authorities Directory

In the 2002-03 fiscal year, there

were 18 Child and Family Services Authorities (CFSAs).

Restructuring and amalgamation occurred in 2003 and

effective April 1, 2003, the number of CFSAs reduced

to 10. The amalgamation of 18 CFSAs to 10 was done

to improve governance and administrative management

as well as to ensure consistent planning and provision

of services to local communities.

To the right is a table showing which of the former 18 CFSAs were amalgamated into the new CFSAs. This directory includes the CFSAs offices, CEOs, and Assembly of Co-Chairs for each of the new regions.

New CFSA Regions, Transitional CEOs, Aboriginal and Non-Aboriginal Co-Chairs (effective April 1, 2003)

Former CFSAs(s)

Southwest Alberta CFSA (Region 1)

#107, 3305 – 18 Avenue North
Lethbridge, AB. T1H 5S1
Phone: 403-381-5543
Fax: 403-381-5608
Transitional CEO:
Bryan Heninger
Aboriginal Co-Chair:
Sharon Holtman
Non-aboriginal Co-Chair:
Robert Bartlett

Sun Country
(Region 1)

Southeast Alberta CFSA (Region 2)

#205, 346 – 3rd Street S.E.
Medicine Hat, AB. T1A 0G7
Phone: 403-529-3753
Fax: 403-528-5244
Transitional CEO:
Bryan Heninger
Aboriginal Co-Chair:
Kathy Cooper
Non-aboriginal Co-Chair:
Dr. Harold Storlein

Southeast
(Region 2)

Calgary and Area CFSA (Region 3)

2nd Floor, 1011 – 6 Avenue S.W.
Calgary, AB. T2P 0W1
Phone: 403-297-8080
Fax: 403-297-7214
Transitional CEO:
Bonnie Johnston
Aboriginal Co-Chair:
Art Cunningham
Non-aboriginal Co-Chair:
David Pickersgill

Windsong
(Region 3)
Calgary
Rocky View
(Region 4)

**New CFSA Regions,
Transitional CEOs,
Aboriginal and
Non-Aboriginal Co-Chairs
(effective April 1, 2003)**

**Central Alberta CFSA
(Region 4)**

3rd Floor, Bishop Place
4826 Ross Street
Red Deer, AB. T4N 1X4
Phone: 403-341-8642
Fax: 403-341-8654
Transitional CEO: Mark Hattori
Aboriginal Co-Chair: Sarah Schug
Non-aboriginal Co-Chair:
Robert Reimer

**East Central Alberta CFSA
(Region 5)**

Box 300, 4811 – 49th Avenue
Killam, AB. T0B 2L0
Phone: 403-385-7160
Fax: 780-385-7163
Transitional CEO: Jon Reeves
Aboriginal Co-Chair: Corrine Miller
Non-aboriginal Co-Chair:
Cathy Charlton

**Edmonton and Area CFSA
(Region 6)**

7th Floor, Oxbridge Place,
9820 – 106 Street
Edmonton, AB. T5K 2J6
Phone: 780-427-2250
Fax: 780-422-6864
Transitional CEO:
Donna Mah (acting)
Aboriginal Co-Chair: Joseph Arcand
Non-aboriginal Co-Chair:
Morley Handford

**North Central Alberta CFSA
(Region 7)**

2nd Floor, 10004 – 107 Street
Westlock, AB. T7P 2K8
Phone: 780-349-5478
Fax: 780-349-5603
Transitional CEO: Gord Johnston
Aboriginal Co-Chair: Alice Reid
Non-aboriginal Co-Chair:
Hansa Thaleshvar

**Former
CFSA(s)**

Hearthstone
(Region 5),

Diamond
Willow
(Region 6)
Keystone
(Region 9)

Ribstone
(Region 7)

West
Yellowhead
(Region 8)
Ma'möwe
Capital Region
(Region 10)

Sakaw-Askiy
(Region 11),
Sakaigun Asky
(Region 12)
Neegan
Awassak
(Region 15)

**New CFSA Regions,
Transitional CEOs,
Aboriginal and
Non-Aboriginal Co-Chairs
(effective April 1, 2003)**

**Northwest Alberta CFSA
(Region 8)**

3001 – 10320 – 99 Street
Grande Prairie, AB. T8V 6J4
Phone: 780-538-5122
Fax: 780-538-5137
Transitional CEO:
Carole Anne Patenaude
Aboriginal Co-Chair:
Dianne Lavoie
Non-aboriginal Co-Chair:
Cindy Nylander

**Northeast Alberta CFSA
(Region 9)**

5th Floor, Provincial Bldg.
9915 Franklin Avenue.
Fort McMurray, AB. T9H 2K4
Phone: 780-743-7461
Fax: 780-743-7474
Transitional CEO: Lori Cooper
Aboriginal Co-Chair:
Merle Rudiak
Non-aboriginal Co-Chair:
Mike Noon

**Metis Settlements CFSA
(Region 10)**

Room 412 Mayfield
Business Centre
10525 – 170 Street
Edmonton, AB. T5P 4W2
Phone: 780-427-1033
Fax: 780-415-0177
Transitional CEO:
Lillian Parenteau
Chair: Laurie Thompson

**Former
CFSA(s)**

Region 13,
Region 14
Silver Birch
(Region 17)

Awassak
(Region 16)

Metis
Settlements
(Region 18)

Appendix 5:

Alphabetical List of Government Entities' Financial Statements

Alphabetical List Of Entities' Financial Statements In Ministry 2002-03 Annual Reports

Entities Included In The Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	Ministry Annual Report	Ministry, Department, Fund or Agency	Ministry Annual Report
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development	Alberta Pensions Administration Corporation	Finance
Alberta Alcohol and Drug Abuse Commission	Health and Wellness	Alberta Petroleum Marketing Commission	Energy
Alberta Energy and Utilities Board	Energy	Alberta Research Council Inc.	Innovation and Science
Alberta Foundation for the Arts	Community Development	Alberta Risk Management Fund	Revenue
Alberta Gaming and Liquor Commission	Gaming	Alberta School Foundation Fund	Learning
Alberta Government Telephones Commission, The	Finance	Alberta Science and Research Authority	Innovation and Science
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue	Alberta Securities Commission	Revenue
Alberta Heritage Savings Trust Fund	Revenue	Alberta Social Housing Corporation	Seniors
Alberta Heritage Scholarship Fund	Revenue	Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue	Alberta Treasury Branches	Finance
Alberta Historical Resources Foundation, The	Community Development	ATB Investment Services Inc.	Finance
Alberta Insurance Council	Finance	Child and Family Services Authorities:	
Alberta Municipal Financing Corporation	Finance	Awasak Child and Family Services Authority	Children's Services
		Calgary Rocky View Child and Family Services Authority	
		Child and Family Services Authority Region 13	

**Ministry, Department,
Fund or Agency****Ministry
Annual
Report**

Child and Family Services
Authorities (continued):

Child and Family Services
Authority Region 14
Diamond Willow Child and
Family Services Authority
Hearthstone Child and
Family Services Authority
Keystone Child and Family
Services Authority
Ma'môwe Capital Region
Child and Family Services
Authority
Metis Settlements Child and
Family Services Authority
Neegan Awas'sak Child and
Family Services Authority
Ribstone Child and Family
Services Authority
Sakaigun Asky Child and
Family Services Authority
Sakaw-Askiy Child and
Family Services Authority
Silver Birch Child and
Family Services Authority
Southeast Alberta Child and
Family Services Authority
Sun Country Child and
Family Services Authority
West Yellowhead Child and
Family Services Authority
Windsong Child and Family
Services Authority

Children's
Services

Credit Union Deposit Guarantee
Corporation

Finance

Crop Reinsurance Fund of Alberta
Food and Rural Development

Agriculture,
Food and Rural
Development

Department of Agriculture,
Food and Rural Development

Agriculture,
Food and Rural
Development

Department of Children's
Services

Children's
Services

**Ministry, Department,
Fund or Agency****Ministry
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Department of Community
Development

Community
Development

Department of Energy

Energy

Department of Finance

Finance

Department of Gaming

Gaming

Department of Health
and Wellness

Health and
Wellness

Department of Innovation
and Science

Innovation
and Science

Department of Learning

Learning

Department of Revenue

Revenue

Department of Seniors

Seniors

Department of Solicitor General

Solicitor General

Department of Sustainable
Resource Development

Sustainable
Resource
Development

Environmental Protection and
Enhancement Fund

Sustainable
Resource
Development

Gainers Inc.

Finance

Government House
Foundation, The

Community
Development

Historic Resources Fund

Community
Development

Human Rights, Citizenship and
Multiculturalism Education Fund

Community
Development

iCORE Inc.

Innovation
and Science

Lottery Fund

Gaming

Ministry of Aboriginal Affairs
and Northern Development¹

Aboriginal Affairs
and Northern
Development

Ministry of Agriculture, Food
and Rural Development

Agriculture,
Food and Rural
Development

Ministry of Children's Services

Children's
Services

¹ Ministry includes only the department as separate department financial statements are not necessary.

Ministry, Department, Fund or Agency	Ministry Annual Report	Ministry, Department, Fund or Agency	Ministry Annual Report
Ministry of Community Development	Community Development	N.A. Properties (1994) Ltd.	Finance
Ministry of Economic Development ¹	Economic Development	Natural Resources Conservation Board	Sustainable Resource Development
Ministry of Energy	Energy	Persons with Developmental Disabilities Boards:	Community Development
Ministry of Environment ¹	Environment	Calgary Region Community Board	
Ministry of Finance	Finance	Central Region Community Board	
Ministry of Executive Council ¹	Executive Council	Edmonton Region Community Board	
Ministry of Gaming	Gaming	Michener Centre Facility Board ²	
Ministry of Government Services ¹	Government Services	Northeast Region Community Board	
Ministry of Health and Wellness	Health and Wellness	Northwest Region Community Board	
Ministry of Human Resources and Employment ¹	Human Resources and Employment	Provincial Board	
Ministry of Infrastructure ¹	Infrastructure	South Region Community Board	
Ministry of Innovation and Science	Innovation and Science	Provincial Judges and Masters in Chambers Reserve Fund	Finance
Ministry of International and Intergovernmental Relations ¹	International and Intergovernmental Relations	Supplementary Retirement Plan Reserve Fund	Finance
Ministry of Justice ¹	Justice	Victims of Crime Fund	Solicitor General
Ministry of Learning	Learning	Wild Rose Foundation, The	Community Development
Ministry of Municipal Affairs ¹	Municipal Affairs		
Ministry of Revenue	Revenue		
Ministry of Seniors	Seniors		
Ministry of Solicitor General	Solicitor General		
Ministry of Sustainable Resource Development	Sustainable Resource Development		
Ministry of Transportation ¹	Transportation		

1 Ministry includes only the department so separate department financial statements are not necessary.

2 Dissolved July 23, 2002.

Entities Not Included In The Consolidated Government Reporting Entity

Fund or Agency	Ministry Annual Report	Fund or Agency	Ministry Annual Report
Alberta Cancer Board	Health and Wellness	Special Areas Trust Account, The	Municipal Affairs
Alberta Foundation for Health Research	Innovation and Science	Special Forces Pension Plan	Finance
Alberta Heritage Foundation for Medical Research	Innovation and Science	Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science	Supplementary Retirement Plan for Public Service Managers	Finance
Alberta Mental Health Board	Health and Wellness	Workers' Compensation Board	Human Resources and Employment
Alberta Teachers' Retirement Fund Board	Learning		
Improvement Districts' Trust Account	Municipal Affairs		
Local Authorities Pension Plan	Finance		
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment		
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Human Resources and Employment		
Management Employees Pension Plan	Finance		
Provincial Judges and Masters in Chambers Pension Plan	Finance		
Public Post Secondary Institutions	Learning		
Public Service Management (Closed Membership) Pension Plan	Finance		
Public Service Pension Plan	Finance		
Regional Health Authorities	Health and Wellness		
School Boards	Learning		

SECTION

SECTION

2

Micromedia
ProQuest

20 Victoria Street
Toronto, Ontario M5C 2N8
Tel.: (416) 362-5211
Toll Free: 1-800-387-2689
Fax: (416) 362-6161
Email: info@micromedia.on.ca

• Children's Services •

strong communities



strong children

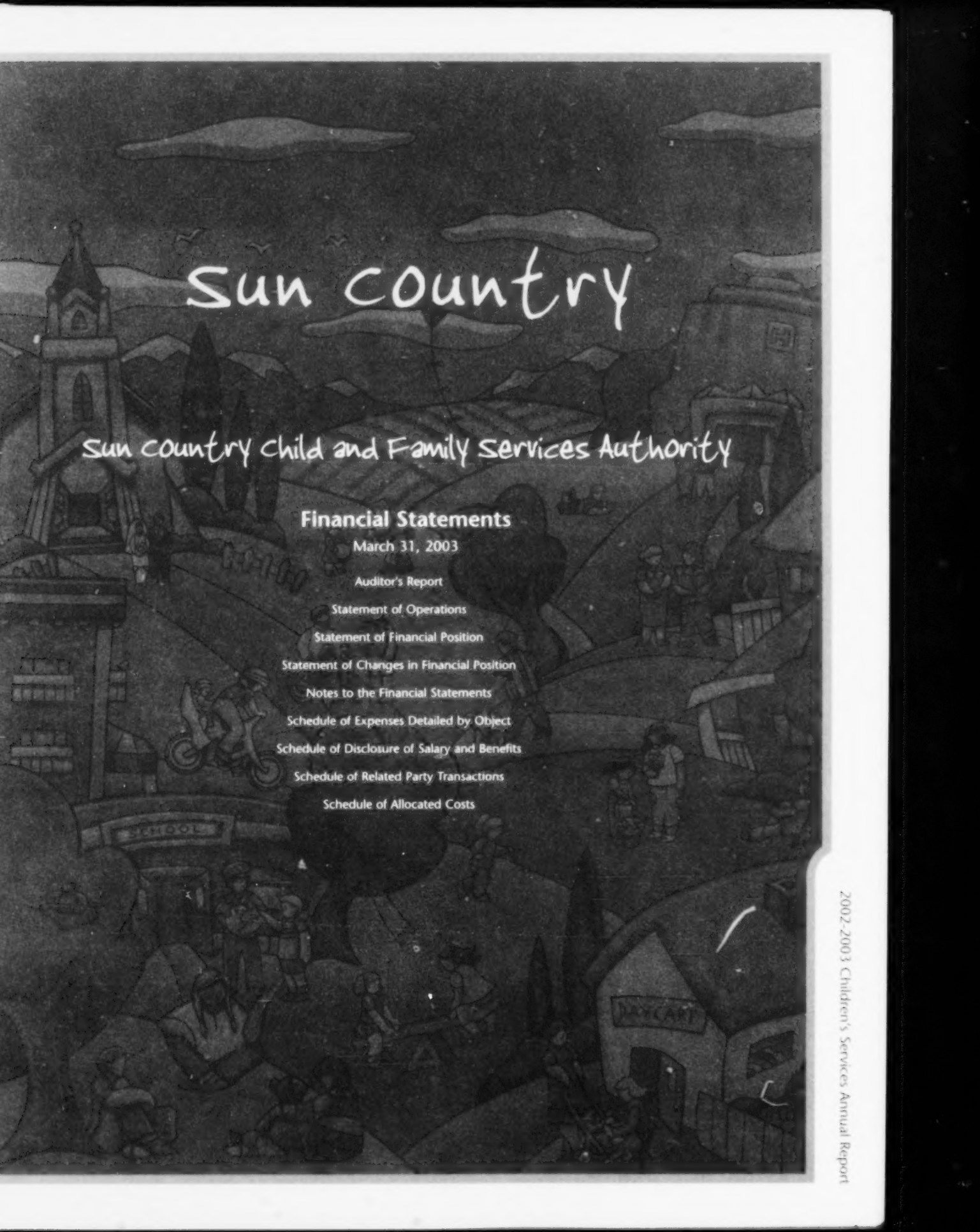
• strong families •

Alberta children's services

2002-2003 Annual Report • Section 2







Sun Country

Sun Country Child and Family Services Authority

Financial Statements

March 31, 2003

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

Sun country child and Family Services Authority

Auditor's Report



To the Members of the Southern Alberta Child and Family Services Authority (Region 1) and the Minister of Children's Services

I have audited the statement of financial position of the Sun Country Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Sun Country Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 25,926	\$ 25,635	\$ 26,178
Recoveries - Resident on Reserve	4,200	4,368	4,234
Recoveries - Inter-Authority Services	275	345	251
Miscellaneous Revenue (Note 6)	-	232	65
	<u>30,401</u>	<u>30,580</u>	<u>30,728</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	175	102	113
Management and Program Support	897	988	1,108
Community Coordination	153	208	155
Services to Children and Families:			
Child Welfare	19,172	18,787	19,741
Services to Children with Disabilities	3,001	3,606	3,103
Child Care	3,432	3,317	3,582
Early Intervention	2,055	1,487	1,411
Prevention of Family Violence	830	937	902
Mentoring for Parents	341	341	-
Fetal Alcohol Initiatives	70	199	230
Inter-Authority Services	275	345	251
Valuation Adjustments:			
Vacation Pay (Note 2)	-	22	127
	<u>30,401</u>	<u>30,339</u>	<u>30,723</u>
Net Operating Results	<u>\$</u>	<u>\$ 241</u>	<u>\$ 5</u>

The accompanying notes and schedules are part of these financial statements.

Sun Country Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 1,177	\$ 751
Accounts Receivable (Note 4)	1,183	1,205
	<u>\$ 2,360</u>	<u>\$ 1,956</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 1,942	\$ 1,779
Net Assets		
Net Assets at Beginning of Year	177	172
Net Operating Results	241	5
Net Assets at End of Year	<u>418</u>	<u>177</u>
	<u>\$ 2,360</u>	<u>\$ 1,956</u>

The accompanying notes and schedules are part of these financial statements.

Sun Country Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions		
Net Operating Results	\$ 241	\$ 5
Non-Cash Items		
Vacation Pay	22	127
	263	132
Decrease in Accounts Receivable	22	388
Increase in Accounts Payable, Accrued Liabilities ^(a)	141	124
Cash Provided by Operating Transactions	426	644
Cash, Beginning of Year	751	107
Cash, End of Year	<u>\$ 1,177</u>	<u>\$ 751</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Sun Country Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

Sun Country Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is Sun Country Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Sun Country Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash and accounts receivable approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$30,401 on March 13, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$1,183 and \$1,942 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using an analysis of the time lag trends of current year expenditures as well as management input. The actual amount could vary significantly from that estimated.

Sun country child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 25,926
Reduction to funding for the current year	(291)
Grant for the year	<u>\$ 25,635</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 1,089	\$1,180
Child and Family Services Authorities	37	20
Refunds from Suppliers	57	5
	<u>\$ 1,183</u>	<u>\$1,205</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 12	\$ 13
Accrued Vacation Pay	751	728
Trade Payable	1,179	1,038
	<u>\$ 1,942</u>	<u>\$ 1,779</u>

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Previous year over accrual	\$ 214	\$ -
Other miscellaneous revenue	18	65
	<u>\$ 232</u>	<u>\$ 65</u>

Sun Country Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

Long-term leases^(a)

(In thousands)	
2003	2002
\$ 249	\$ 187

- (a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)	
2004	\$ 105
2005	\$ 81
2006	\$ 49
2007	\$ 14

Note 8 Subsequent Events

- The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003. Sun Country Child and Family Services Authority will remain unchanged and will operate under the name of Southern Alberta Child and Family Services Authority.
- Effective May 1, 2003 the Ministry of Children's Services will grant delegation of child protection services to the Blood Tribe. These services involve Blood Tribe children currently under the delegation of the Sun Country Child and Family Services Authority. This will decrease child welfare expenditures and First Nations Recovery revenues, the financial impact of which cannot be estimated at this time.

Note 9 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Sun Country Child and Family Services Authority

Expenses Detailed by Object

Schedule 1

For the year ended March 31, 2003

	(In thousands)		2002 Actual
	2003 Budget	Actual	
Manpower	\$ 8,495	\$ 8,886	\$ 8,379
Supplies and services	18,920	18,614	18,906
Grants	2,711	3,051	3,166
Inter-Authority Services	275	345	251
Other	-	22	127
	<u>30,401</u>	<u>30,918</u>	<u>30,829</u>
Less: Recovery from Alberta Human Resources and Employment	-	-	(106)
Less: Recovery from Alberta Health and Wellness	-	(579)	-
	<u>\$ 30,401</u>	<u>\$ 30,339</u>	<u>\$ 30,723</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$37,000 (2002: \$13,000) in achievement bonuses for management and non-union staff.

Sun Country Child and Family Services Authority

Schedule 2

Disclosure of Salary and Benefits

For the year ended March 31, 2003

	(In thousands)			
	2003			2002
	Salary	Benefits and Allowances	Total	Total
Co-Chair of the Authority	\$ 19	\$ -	\$ 19	\$ 22
Co-Chair of the Authority	\$ 20	\$ -	\$ 20	\$ 22
Board Members (7 members)	\$ 45	\$ -	\$ 45	\$ 55
Chief Executive Officer ⁽¹⁾	\$ 130	\$ 23	\$ 153	\$ 122

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve Sun Country Child and Family Services Authority and Southeast Alberta Child and Family Services Authority, while the schedule above includes the full salary of the transitional CEO for February and March, the Authority only paid for a portion (50%) of the transitional CEO's salary and benefits.

Sun Country Child and Family Services Authority

Related Party Transactions

Schedule 3

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 25,635	\$ 26,178	\$ -	\$ -
Recoveries - Resident on Reserves	4,368	4,234	-	-
Recoveries - Inter-Authority Services	345	251	-	-
Prior Year Revenue - Inter-Authority Services	12	-	-	-
	<u>\$ 30,360</u>	<u>\$ 30,663</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 97	\$ 152	\$ -	\$ -
Department of Children's Services	397	647	-	-
	<u>\$ 494</u>	<u>\$ 799</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 1,089	\$ 1,180	\$ -	\$ -
Southeast Alberta Child and Family Services Authority	(11)	-	-	-
Windsong Child and Family Services Authority	11	7	-	-
Calgary Rocky View Child and Family Services Authority	3	-	-	-
Region 13 Child and Family Services Authority	22	-	-	-
Persons with Developmental Disabilities South Alberta Board	-	-	(10)	-
	<u>\$ 1,114</u>	<u>\$ 1,187</u>	<u>\$ (10)</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 757	\$ 759
Administrative	468	384
Legal Services	2	-
	<u>\$ 1,227</u>	<u>\$ 1,143</u>

Sun Country Child and Family Services Authority

Schedule 4

Allocated Costs

For the year ended March 31, 2003

Program	(In thousands)						2002
	2003						
	Expenses - Incurred by Others				Valuation Adjustments ⁽¹⁾		
	Expenses ⁽¹⁾	Accommodation Costs ⁽²⁾	Administration Costs ⁽³⁾	Legal Services ⁽⁴⁾	Vacation Pay	Total Expenses	Total Expenses
Program Support	\$ 1,298	\$ 50	\$ 468	\$ 2	\$ 1	\$ 1,819	\$ 1,794
Child Welfare	18,787	599	-	-	18	19,404	20,459
Services to Children with Disabilities	3,606	29	-	-	1	3,636	3,137
Child Care	3,317	32	-	-	1	3,350	3,632
Early Intervention	1,487	35	-	-	1	1,523	1,445
Prevention of Family Violence	937	12	-	-	-	949	918
Mentoring for Parents	341	-	-	-	-	341	-
Fetal Alcohol Initiatives	199	-	-	-	-	199	230
Inter-Authority Services	345	-	-	-	-	345	251
	\$ 30,517	\$ 757	\$ 468	\$ 2	\$ 22	\$ 31,566	\$ 31,866

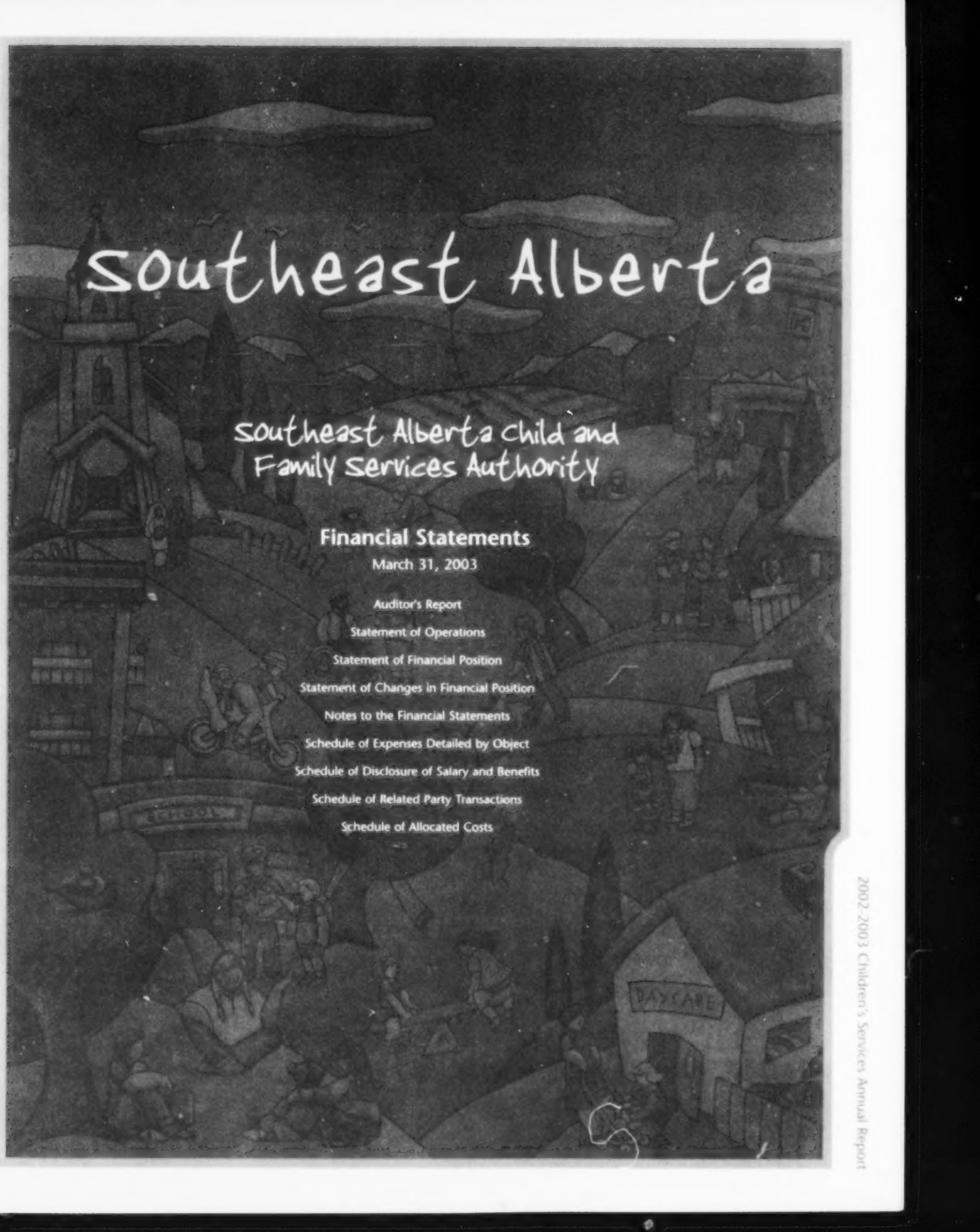
(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.



southeast Alberta

southeast Alberta child and Family Services Authority

Financial Statements

March 31, 2003

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

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Schedule of Expenses Detailed by Object

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Schedule of Related Party Transactions

Schedule of Allocated Costs

Southeast Alberta Child and Family Services Authority

Auditor's Report



To the Members of the South East Alberta Child and Family Services Authority (Region 2) and the Minister of Children's Services

I have audited the statement of financial position of the Southeast Alberta Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

southeast Alberta child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 14,563	\$ 14,579	\$ 14,487
Recoveries - Resident on Reserve	10	22	9
Recoveries - Inter-Authority Services	30	20	19
Miscellaneous Revenue (Note 6)	24	18	30
	<u>14,627</u>	<u>14,639</u>	<u>14,545</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	76	37	54
Management and Program Support	734	754	801
Services to Children and Families:			
Child Welfare	7,507	7,981	7,779
Services to Children with Disabilities	2,005	1,465	1,962
Child Care	2,279	2,171	2,382
Early Intervention	1,331	1,297	1,036
Prevention of Family Violence	408	510	399
Mentoring for Parents	213	181	-
Fetal Alcohol Initiatives	44	39	80
Inter-Authority Services	30	20	19
Valuation Adjustments:			
Vacation Pay (Note 2)	-	28	24
	<u>14,627</u>	<u>14,483</u>	<u>14,536</u>
Net Operating Results	<u>\$ -</u>	<u>\$ 156</u>	<u>\$ 9</u>

The accompanying notes and schedules are part of these financial statements.

southeast Alberta child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 893	\$ 644
Accounts Receivable (Note 4)	348	373
	<u>\$ 1,241</u>	<u>\$ 1,017</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 913	\$ 845
Net Assets		
Net Assets at Beginning of Year	172	163
Net Operating Results	156	9
Net Assets at End of Year	<u>328</u>	<u>172</u>
	<u>\$ 1,241</u>	<u>\$ 1,017</u>

The accompanying notes and schedules are part of these financial statements.

southeast Alberta child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions		
Net Operating Results	\$ 156	\$ 9
Non-Cash Items:		
Vacation Pay	28	24
	<u>184</u>	<u>33</u>
Decrease (Increase) in Accounts Receivable	25	(88)
Decrease in Advances	-	3
Increase (Decrease) in Accounts Payable, Accrued Liabilities ^(a)	40	(81)
Cash Provided (Used) by Operating Transactions	<u>249</u>	<u>(133)</u>
Cash, Beginning of Year	644	777
Cash, End of Year	<u>\$ 893</u>	<u>\$ 644</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

southeast Alberta child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Southeast Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Southeast Alberta Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

southeast Alberta child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash and accounts receivable approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$14,627 on May 25, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$348 and \$913 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using an analysis of the time lags trends of current year expenditures as well as management input. The actual amount could vary significantly from that estimated.

southeast Alberta child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 14,563
Additional funding provided for the current year	16
Grant for the year	<u>\$ 14,579</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 325	\$ 296
Child and Family Services Authorities	12	-
Refunds from Suppliers	11	77
	<u>\$ 348</u>	<u>\$ 373</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services which is a related party. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Accrued Vacation Pay	\$ 324	\$ 296
Trade Payable	589	549
	<u>\$ 913</u>	<u>\$ 845</u>

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Donations	\$ -	\$24
Prior year revenue	4	6
Other miscellaneous revenue	14	-
	<u>\$ 18</u>	<u>\$ 30</u>

southeast Alberta child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases ^(a)	\$ 80	\$ 39

- (a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2004	\$	33
2005	\$	21
2006	\$	19
2007	\$	7

Note 8 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Southeast Alberta Child and Family Services Authority will remain unchanged and will operate under the name of Southeast Alberta Child and Family Services Authority.

Note 9 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Southeast Alberta Child and Family Services Authority

Expenses Detailed by Object

Schedule 1

For the year ended March 31, 2003

	(In thousands)		2002 Actual
	2003 Budget	Actual	
Manpower ^(a)	\$ 3,988	\$ 4,084	\$ 3,992
Supplies and services	8,560	8,307	8,466
Grants	2,049	2,044	2,082
Inter-Authority Services	30	20	19
Valuation Adjustment	-	28	24
	<u>14,627</u>	<u>14,483</u>	<u>14,583</u>
Less: Recovery from Alberta Human Resources and Employment	-	-	(47)
	<u>\$ 14,627</u>	<u>\$ 14,483</u>	<u>\$ 14,536</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$24,000 (2002 - \$11,000) in achievement bonuses for management and non-union staff.

Southeast Alberta Child and Family Services Authority

Schedule 2

Disclosure of Salary and Benefits

For the year ended March 31, 2003

	(In thousands)			
	2003			2002
	Salary	Benefits and Allowances	Total	Total
Co-Chair of the Authority	\$ 9	\$ -	\$ 9	\$ 11
Co-Chair of the Authority	\$ 11	\$ -	\$ 11	\$ 8
Board Members (6 members)	\$ 12	\$ -	\$ 12	\$ 27
Chief Executive Officer ⁽¹⁾	\$ 98	\$ 19	\$ 117	\$ 109

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive of Southeast Alberta Child and Family Services Authority operated as the transitional Chief Executive Officer for both Southeast Alberta and Sun Country Child and Family Services Authorities from January 24, 2003 to March 31, 2003. While the schedule above includes the full salary of the transitional CEO for February and March, the Authority only paid for a portion (50%) of the transitional CEO's salary and benefits.

Southeast Alberta Child and Family Services Authority

Related Party Transactions

Schedule 3

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule. The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 14,579	\$ 14,487	\$ -	\$ -
Recoveries - Resident on Reserves	22	9	-	-
Recoveries - Inter-Authority Services	20	19	-	-
Prior Year Revenue - Inter-Authority Services	4	3	-	-
	<u>\$ 14,625</u>	<u>\$ 14,518</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 41	\$ 19	\$ -	\$ -
Department of Children's Services	251	384	-	-
Alberta Corporate Service Centre	-	-	7	-
	<u>\$ 292</u>	<u>\$ 403</u>	<u>\$ 7</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 325	\$ 296	\$ -	\$ -
Sun Country Child and Family Services Authority	10	-	-	-
Diamond Willow Child and Family Services Authority	2	-	-	-
Persons with Developmental Disabilities South Board	-	-	-	72
	<u>\$ 337</u>	<u>\$ 296</u>	<u>\$ -</u>	<u>\$ 72</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 431	\$ 395
Administrative	260	223
Legal Services	-	-
	<u>\$ 691</u>	<u>\$ 618</u>

southeast Alberta child and Family Services Authority

Schedule 4

Allocated Costs

For the year ended March 31, 2003

Program	(In thousands)						2002
	2003						
	Expenses - Incurred by Others				Valuation		
					Adjustments		
	Accommodation	Administration	Legal	Vacation	Total	Total	
	Expenses	Costs	Costs	Services	Pay	Expenses	Expenses
Program Support	\$ 791	\$ 38	\$ 260	\$ -	\$ 2	\$ 1,091	\$ 1,112
Child Welfare	7,981	345	-	-	22	8,348	8,118
Services to Children with Disabilities	1,465	24	-	-	2	1,491	1,979
Child Care	2,171	24	-	-	2	2,197	2,411
Early Intervention	1,297	-	-	-	-	1,297	1,036
Prevention of Family Violence	510	-	-	-	-	510	399
Mentoring for Parents	181	-	-	-	-	181	-
Fetal Alcohol Initiatives	39	-	-	-	-	39	80
Inter-Authority Services	20	-	-	-	-	20	19
	\$ 14,455	\$ 431	\$ 260	\$ -	\$ 28	\$ 15,174	\$ 15,154

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

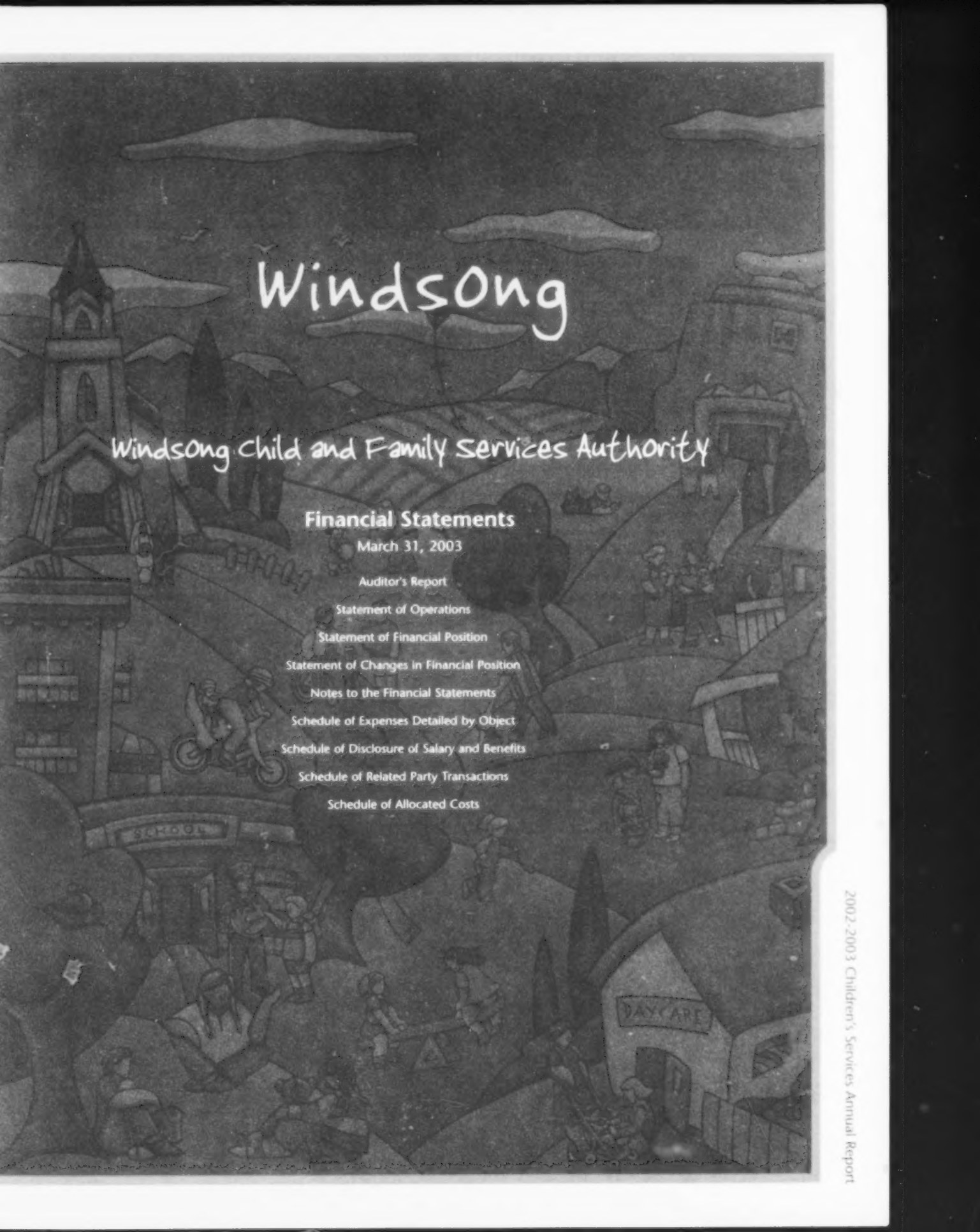
(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

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Windsong

Windsong Child and Family Services Authority

Financial Statements

March 31, 2003

Auditor's Report

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Windsong Child and Family Services Authority

Auditor's Report



To the Members of Region 3 - Calgary and Area Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Windsong Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Deum'.

FCA
Auditor General

Edmonton, Alberta
May 16, 2003

Windsong Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003	2002	
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 7,489	\$ 7,439	\$ 7,633
Recoveries - Resident on Reserve	230	133	267
Recoveries - Inter-Authority Services	500	168	437
Donations	-	2	-
Miscellaneous Revenue (Note 6)	80	130	34
	<u>8,299</u>	<u>7,872</u>	<u>8,371</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	150	77	71
Management and Program Support Services	386	297	242
Community Coordination	-	13	-
Services to Children and Families:			
Child Welfare	5,291	4,500	4,567
Services to Children with Disabilities	990	1,182	1,139
Child Care	370	407	454
Early Intervention	476	381	341
Prevention of Family Violence	24	113	164
Mentoring for Parents	93	211	244
Fetal Alcohol Initiatives	19	34	69
Inter-Authority Services	500	168	437
Valuation Adjustments			
Vacation Pay (Note 2)	-	(10)	33
	<u>8,299</u>	<u>7,373</u>	<u>7,761</u>
Net Operating Results	<u>\$ -</u>	<u>\$ 499</u>	<u>\$ 610</u>

The accompanying notes and schedules are part of these financial statements.

Windsong Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 1,920	\$ 560
Accounts Receivable (Note 4)	164	1,047
	<u>\$ 2,084</u>	<u>\$ 1,607</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 541	\$ 563
	<u>541</u>	<u>563</u>
Net Assets		
Net Assets at Beginning of Year	1,044	434
Net Operating Results	499	610
Net Assets at End of Year	<u>1,543</u>	<u>1,044</u>
	<u>\$ 2,084</u>	<u>\$ 1,607</u>

The accompanying notes and schedules are part of these financial statements.

Windsong Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

Operating Transactions:

Net Operating Results

Non-Cash Items:

Valuation Adjustments

Decrease (Increase) in Accounts Receivable

(Decrease) in Accounts Payable
and Accrued Liabilities^(a)

Cash Provided by Operating Transactions

Cash, Beginning of Year

Cash, End of Year

(In thousands)	
2003	2002
\$ 499	\$ 610
(10)	33
489	643
883	(169)
(12)	(20)
1,360	454
560	106
\$ 1,920	\$ 560

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Windsong Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Windsong Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Windsong Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Windsong Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable, and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$8,299 on April 24, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$164 and \$541 respectively in these financial statements are subject to measurement uncertainty. The accruals are estimated assuming that there is a four to six week delay in processing service provider invoices and capturing the amounts in the accounts. The actual amount could vary significantly from that estimated.

Windsong Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 7,489
Reduced funding for the current year	(50)
Grant for the Year	<u>\$ 7,439</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services, other Child and Family Services Authorities, Alberta Health and Wellness and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 120	\$ 132
Child and Family Services Authorities	9	13
Alberta Health and Wellness	-	847
Other	35	55
	<u>\$ 164</u>	<u>\$ 1,047</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 37	\$ 23
Child and Family Services Authorities	23	38
Accrued Vacation Pay	100	110
Trade Payable	299	326
Other	82	66
	<u>\$ 541</u>	<u>\$ 563</u>

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Previous year over accrual	\$ 130	\$ 22
Other Provincial Governments	-	12
	<u>\$ 130</u>	<u>\$ 34</u>

Windsong Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments

	(In thousands)	
	2003	2002
Long-term leases	\$ 51	\$ 39

- (a) The Authority leases certain equipment under operating leases that expire on various dates to December 27, 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2004	\$	27
2005	\$	17
2006	\$	7

Note 8 Subsequent Event (In thousands)

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Windsong Child and Family Services Authority will be part of the new Calgary and Area Child and Family Services Authority. The new Child and Family Services Authority's restated budget for 2002-2003 is \$150,878. The estimated net assets of the new Child and Family Services Authority are \$8,556 at April 1, 2003, which are made up of 100% of the Windsong Child and Family Services Authority, 100% of the Calgary Rocky View Child and Family Services Authority and approximately 33% of the Hearthstone Child and Family Services Authority.

Note 9 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 10 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 11 Approval of Financial Statements

The financial statements have been approved by the Authority.

Windsong Child and Family Services Authority

Expenses Detailed by Object

Schedule 1

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 1,693	\$ 1,446	\$ 1,457
Supplies and services	6,076	5,352	6,300
Grants	530	416	432
Inter-Authority Services	-	168	437
Other	-	(9)	35
	<u>\$ 8,299</u>	<u>\$ 7,373</u>	<u>\$ 8,661</u>
Less: Recovery from Alberta Human Resources and Employment	-	-	(53)
Recovery from Alberta Health and Wellness	-	-	(847)
	<u>\$ 8,299</u>	<u>\$ 7,373</u>	<u>\$ 7,761</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$7,000 (2002 - \$4,000) in achievement bonuses for management and non-union staff.

Windsong Child and Family Services Authority

Schedule 2

Disclosure of Salary and Benefits

For the year ended March 31, 2003

	(In thousands)			2002	
	2003			2002	
	Salary	Benefits and Allowances ⁽¹⁾	Total	Total	
Co-Chair of the Authority	\$ 16	\$ -	\$ 16	\$ 12	
Co-Chair of the Authority	\$ 15	\$ -	\$ 15	\$ 12	
Board Members (6 members)	\$ 34	\$ -	\$ 34	\$ 42	
Chief Executive Officer ⁽²⁾	\$ 109	\$ 14	\$ 123	\$ 119	

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve Windsong CFSA and Calgary Rocky View CFSA, while the schedule above includes the full salary of the transitional CEO for February and March, Windsong CFSA only paid for a portion (20%) of the transitional CEO's salary and benefits.

Windsong Child and Family Services Authority

Related Party Transactions

Schedule 3

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 7,439	\$ 7,633	\$ -	\$ -
Recoveries - Resident on Reserves	133	267	-	-
Recoveries - Inter-Authority Services	168	437	-	-
	<u>\$ 7,740</u>	<u>\$ 8,337</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 291	\$ 470	\$ -	\$ -
Department of Children's Services	97	76	-	-
	<u>\$ 388</u>	<u>\$ 546</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 83	\$ 9	\$ -	\$ -
Sun Country Child and Family Services Authority	(12)	(7)	-	-
Calgary Rocky View Child and Family Services Authority	(2)	(18)	-	-
	<u>\$ 69</u>	<u>\$ (16)</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 609	\$ 148
Administrative	148	149
Legal Services	16	11
	<u>\$ 773</u>	<u>\$ 308</u>

Windsong Child and Family Services Authority

Schedule 4

Allocated Costs

For the year ended March 31, 2003

	(In thousands)						2002
	2003						
	Expenses - Incurred by Others				Valuation		
					Adjustments		
Program	Expenses	Accommodation Costs	Administration Costs	Legal Services	Vacation Pay	Total Expenses	Total Expenses
Program Support	\$ 387	\$ 21	\$ 148	\$ -	\$ -	\$ 556	\$ 468
Child Welfare	4,500	475	-	16	(8)	4,983	4,727
Services to Children with Disabilities	1,182	71	-	-	(1)	1,252	1,152
Child Care	407	42	-	-	(1)	448	467
Early Intervention	381	-	-	-	-	381	341
Prevention of Family Violence	113	-	-	-	-	113	164
Mentoring for Parents	211	-	-	-	-	211	244
Fetal Alcohol Initiatives	34	-	-	-	-	34	69
Inter-Authority Services	168	-	-	-	-	168	437
	\$ 7,383	\$ 609	\$ 148	\$ 16	\$ (10)	\$ 8,146	\$ 8,069

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

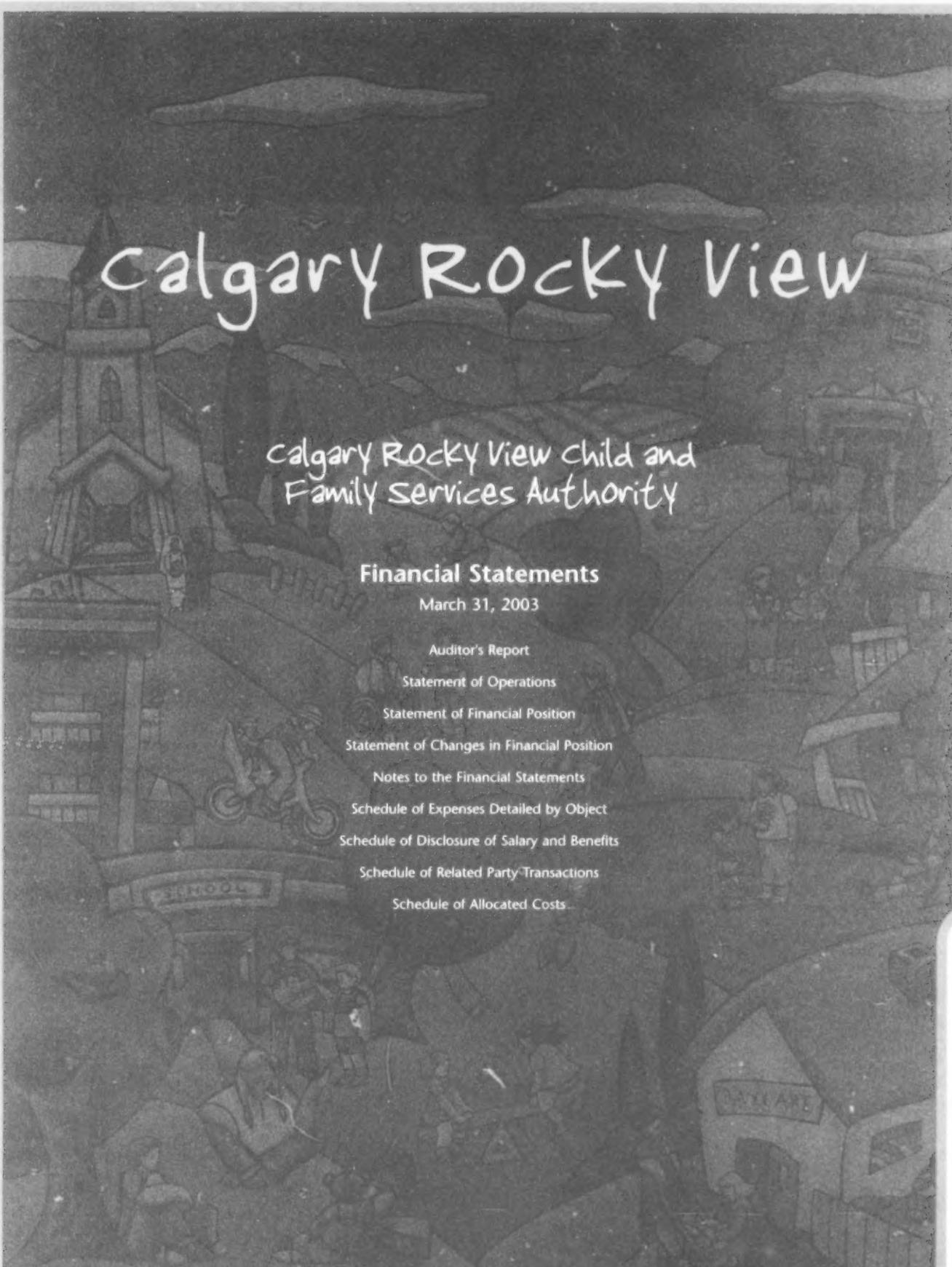
(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.





calgary Rocky View

calgary Rocky View child and Family Services Authority

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March 31, 2003

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Calgary Rocky View Child and Family Services Authority

Auditor's Report



To the Members of Region 3 - Calgary and Area Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Calgary Rocky View Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 16, 2003

calgary Rocky View child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003	2002	
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 136,948	\$ 135,837	\$ 134,689
Recoveries - Resident on Reserve	896	561	881
Recoveries - Inter-Authority Services	375	148	324
Donations (Note 10)	1,327	1,362	941
Miscellaneous Revenue (Note 7)	230	1,898	502
	<u>139,776</u>	<u>139,806</u>	<u>137,337</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	225	78	61
Management and Program Support Services	1,965	3,429	3,919
Community Coordination	1,701	1,433	1,262
Services to Children and Families:			
Child Welfare	88,130	86,012	88,323
Services to Children with Disabilities	20,574	21,432	20,132
Child Care	15,193	14,231	15,158
Early Intervention	7,046	4,496	3,236
Prevention of Family Violence	2,492	2,930	2,489
Mentoring for Parents	1,723	1,264	-
Fetal Alcohol Initiatives	352	322	113
Inter-Authority Services	375	148	324
Valuation Adjustments			
Vacation pay (Note 2)	-	22	377
Amortization	-	109	110
	<u>139,776</u>	<u>135,906</u>	<u>135,504</u>
Net Operating Results	<u>\$</u>	<u>\$ 3,900</u>	<u>\$ 1,833</u>

The accompanying notes and schedules are part of these financial statements.

Calgary Rocky View Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 12,260	\$ 9,012
Accounts Receivable (Note 4)	2,646	2,534
Capital Assets (Note 5)	110	219
	<u>\$ 15,016</u>	<u>\$ 11,765</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 8,004	\$ 8,532
Unearned Revenue	-	121
	<u>8,004</u>	<u>8,653</u>
Net Assets (Liabilities)		
Net Assets at Beginning of Year	3,112	1,279
Net Operating Results	3,900	1,833
Net Assets at End of Year	<u>7,012</u>	<u>3,112</u>
	<u>\$ 15,016</u>	<u>\$ 11,765</u>

The accompanying notes and schedules are part of these financial statements.

Calgary Rocky View Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ 3,900	\$ 1,833
Non-Cash Items:		
Amortization of Capital Assets	109	110
Valuation Adjustments	22	377
	<u>4,031</u>	<u>2,320</u>
(Increase) Decrease in Accounts Receivable	(112)	854
Decrease in Accounts Payable and Accrued Liabilities ^(a)	(550)	(1,011)
(Decrease) Increase in Unearned Revenue	(121)	121
Cash Provided by Operating Transactions	<u>3,248</u>	<u>2,284</u>
Investing Transactions:		
Purchases of Capital Assets	-	(329)
Cash Used by Investing Transactions	<u>-</u>	<u>(329)</u>
Cash Provided	<u>3,248</u>	<u>1,955</u>
Cash, Beginning of Year	9,012	7,057
Cash, End of Year	<u>\$ 12,260</u>	<u>\$ 9,012</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Calgary Rocky View Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Calgary Rocky View Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1998 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Calgary Rocky View Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements (Note 10) that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Calgary Rocky View Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable, and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$139,776 on June 11, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accounts receivable and accounts payable and accrued liabilities recorded as \$2,646 and \$8,004 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this year end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Calgary Rocky View Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant From The Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 136,948
Reduced funding from current year	(1,111)
Grant for the year	<u>\$ 135,837</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 2,486	\$ 2,409
Child and Family Services Authorities	14	26
Other	146	99
	<u>\$ 2,646</u>	<u>\$ 2,534</u>

Note 5 Capital Assets

	(In thousands)				2002
	2003				Net Book Value
Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value		
Systems Development	3	\$ 329	\$ 219	\$ 110	\$ 219

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 10	\$ -
Child and Family Services Authorities	43	18
Accrued Vacation Pay	2,366	2,343
Trade Payable	5,585	6,171
	<u>\$ 8,004</u>	<u>\$ 8,532</u>

calgary Rocky View Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 7 Miscellaneous Revenue

Miscellaneous revenue includes the following:

	(In thousands)	
	2003	2002
Recoveries of costs incurred under an agreement(see Note 10)	\$ 230	\$ 230
Previous year over accrual	1,207	-
Other miscellaneous revenue	461	272
	<u>\$ 1,898</u>	<u>\$ 502</u>

Note 8 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases ^(a)	\$ 35	\$ 28

- (a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)	
	2004	\$ 17
	2005	\$ 12
	2006	\$ 5
	2007	\$ 1

Note 9 Contingencies (In thousands)

At March 31, 2003, the Authority is involved in 5 claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2002 - 4 legal claims). Four of these claims have specified amounts totaling \$3,805 and the remaining one has not specified any amount (2002 - 3 claims with a specified amount of \$2,430 and one with no specified amount).

Included in the total legal claims are three claims amounting to \$1,680 in which the Authority has been jointly named with other entities. Three claims amounting to \$3,055 are covered by the Alberta Risk Management and Insurance Fund.

The resulting loss, if any, from these claims cannot be determined.

calgary Rocky View Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 10 Third Party Agreements (In thousands)

The Authority has entered into three third party agreements with the Student Health Partnership, Human Resources and Employment, and Community Development for various program services. The revenues of \$1,592 (2002 - \$1,171) and expenses of \$1,295 (2002 - \$1,120) are included in the financial statements.

	(In thousands)	
	2003	2002
Student Health Partnership	\$ 1,362	\$ 941
Human Resources and Employment	230	230
Community Development	(1,295)	(1,120)

Note 11 Subsequent Event (In thousands)

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Calgary Rocky View Child and Family Services Authority will be part of the new Calgary and Area Child and Family Services Authority. The new Child and Family Services Authority's restated budget for 2002-2003 is \$150,878. The estimated net assets of the new Child and Family Services Authority are \$8,556 at April 1, 2003, which are made up of 100% of the Windsong Child and Family Services Authority, 100% of the Calgary Rocky View Child and Family Services Authority and approximately 33% of the Hearthstone Child and Family Services Authority.

Note 12 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 13 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 14 Approval of Financial Statements

The financial statements have been approved by the Authority.

Calgary Rocky View Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower	\$ 24,923	\$ 24,696	\$ 23,702
Supplies and Services	100,018	96,853	97,182
Supplies and Services from Support Service Arrangement ^(a)	1,295	1,295	1,120
Grants	13,165	12,742	13,231
Amortization of Capital Assets	-	109	110
Inter-Authority Services	375	148	324
Other	-	63	415
	<u>139,776</u>	<u>135,906</u>	<u>136,084</u>
Less: Recovery from Alberta Human Resources and Employment	-	-	(580)
	<u>\$ 139,776</u>	<u>\$ 135,906</u>	<u>\$ 135,504</u>

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$106,000 (2002 - \$45,000) in achievement bonuses for management and non-union staff.

(b) The Authority receives human resource, financial and other administrative support services from the Department of Community Development.

Calgary Rocky View Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			
	2003			2002
	Salary ⁽¹⁾	Benefits and Allowances ⁽²⁾	Total	Total
Co-Chair of the Authority	\$ 18	\$ -	\$ 18	\$ 13
Co-Chair of the Authority	\$ 18	\$ -	\$ 18	\$ 12
Board Members (12 members)	\$ 31	\$ -	\$ 31	\$ 39
Chief Executive Officer ⁽³⁾⁽⁴⁾	\$ 134	\$ 7	\$ 141	\$ 155

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) Automobile provided to the CEO, no dollar amount included in benefit and allowances.

(4) From January 24, 2003 to March 31, 2003, the CEO's services were shared with the Windsong CFSA which contributed its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.

Calgary Rocky View Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 135,837	\$ 134,689	\$ -	\$ -
Recoveries - Resident on Reserves	561	881	-	-
Recoveries - Inter-Authority Services	148	324	-	-
Alberta Human Resources and Employment	-	-	230	230
	<u>\$ 136,546</u>	<u>\$ 135,894</u>	<u>\$ 230</u>	<u>\$ 230</u>
Expenses:				
Inter-Authority Services Received	\$ 487	\$ 466	\$ -	\$ -
Department of Children's Services	1,363	2,054	-	-
	<u>\$ 1,850</u>	<u>\$ 2,520</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 2,476	\$ 2,409	\$ -	\$ -
Sun Country Child and Family Services Authority	(3)	-	-	-
Windsong Child and Family Services Authority	2	18	-	-
Hearthstone Child and Family Services Authority	(5)	(8)	-	-
Diamond Willow Child and Family Services Authority	(1)	3	-	-
Ribstone Child and Family Services Authority	-	(1)	-	-
West Yellowhead Child and Family Services Authority	(4)	1	-	-
Ma'mowe Capital Region Child and Family Services Authority	(19)	(5)	-	-
	<u>\$ 2,446</u>	<u>\$ 2,417</u>	<u>\$ -</u>	<u>\$ -</u>

The above transactions do not include support service agreement arrangement transactions disclosed in schedule one.

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	2003	2002
Expenses (notional):		
Accommodation	\$ 3,486	\$ 3,787
Administrative	719	698
Legal Services	968	650
	<u>\$ 5,173</u>	<u>\$ 5,135</u>

Calgary Rocky View Child and Family Services Authority

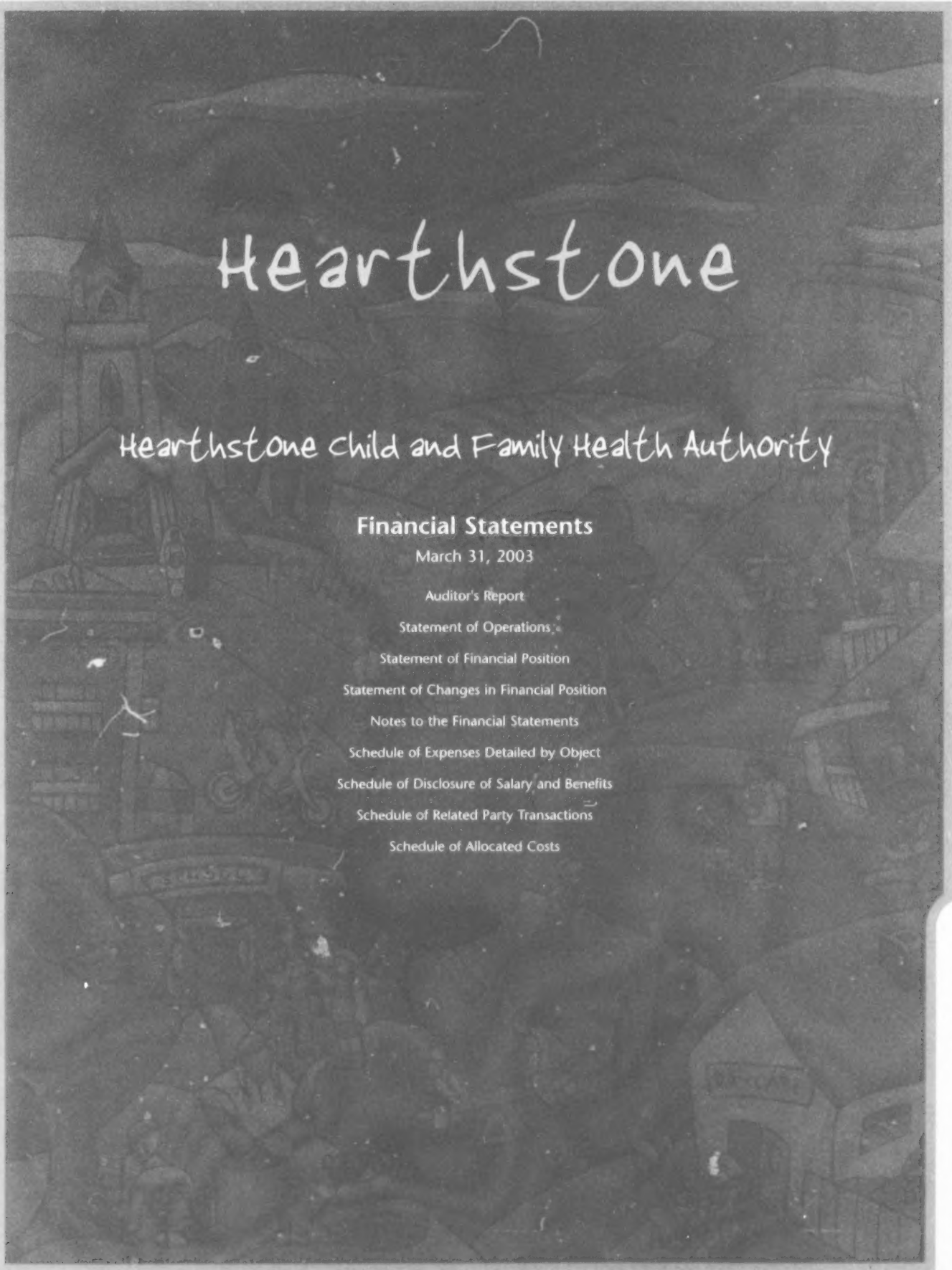
Allocated Costs

For the year ended March 31, 2003

Schedule 4

Program	(In thousands)						2002
	2003						
	Expenses - Incurred by Others				Valuation Adjustments		
	Expenses	Accommodation Costs	Administration Costs	Legal Services	Vacation Pay	Total Expenses	Total Expenses
Program Support	\$ 4,940	\$ 57	\$ 719	\$ -	\$ -	\$ 5,716	\$ 6,141
Child Welfare	86,012	3,070	-	968	20	90,070	92,477
Services to Children with Disabilities	21,432	147	-	-	1	21,580	20,340
Child Care	14,231	204	-	-	1	14,436	15,391
Early Intervention	4,496	-	-	-	-	4,496	3,236
Prevention of Family Violence	2,930	8	-	-	-	2,938	2,507
Mentoring for Parents	1,264	-	-	-	-	1,264	-
Fetal Alcohol Initiatives	322	-	-	-	-	322	113
Inter-Authority Services	148	-	-	-	-	148	324
Amortization	109	-	-	-	-	109	110
	\$ 135,884	\$ 3,486	\$ 719	\$ 968	\$ 22	\$ 141,079	\$ 140,639

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CESA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.



Hearthstone

Hearthstone Child and Family Health Authority

Financial Statements

March 31, 2003

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

Hearthstone Child and Family Services Authority

Auditor's Report



To the Members of the Region 4 - Central Alberta Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Hearthstone Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Deum'.

FCA
Auditor General

Edmonton, Alberta
May 16, 2003

Hearthstone Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003	2002	
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 7,437	\$ 7,387	\$ 7,472
Recoveries - Resident on Reserve	188	101	182
Recoveries - Inter-Authority Services	201	114	162
Donations	-	-	14
Miscellaneous Revenue	16	-	4
	<u>7,842</u>	<u>7,602</u>	<u>7,834</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	101	64	84
Management and Program Support	426	334	423
Community Coordination	157	127	231
Services to Children and Families:			
Child Welfare	4,782	4,693	4,493
Services to Children with Disabilities	907	1,109	1,275
Child Care	580	525	468
Early Intervention	411	297	435
Prevention of Family Violence	183	248	264
Mentoring for Parents	78	127	-
Fetal Alcohol Initiatives	16	16	-
Inter-Authority Services	201	114	162
Valuation Adjustments:			
Vacation Pay (Note 2)	-	1	26
	<u>7,842</u>	<u>7,655</u>	<u>7,861</u>
Net Operating Results	<u>\$ -</u>	<u>\$ (53)</u>	<u>\$ (27)</u>

The accompanying notes and schedules are part of these financial statements.

Hearthstone Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 331	\$ 139
Accounts Receivable (Note 4)	202	411
	<u>\$ 533</u>	<u>\$ 550</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 531	\$ 495
	<u>531</u>	<u>495</u>
Net Assets		
Net Assets at Beginning of Year	55	82
Net Operating Results	(53)	(27)
Net Assets at End of Year	<u>2</u>	<u>55</u>
	<u>\$ 533</u>	<u>\$ 550</u>

The accompanying notes and schedules are part of these financial statements.

Hearthstone Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ (53)	\$ (27)
Non-Cash Items:		
Valuation Adjustments	1	26
	(52)	(1)
Decrease in Accounts Receivable	209	3
Increase (Decrease) in Accounts Payable and Accrued Liabilities ^(a)	35	(128)
Cash Provided (Used) by Operating Transactions	192	(126)
Cash, Beginning of Year	139	265
Cash, End of Year	<u>\$ 331</u>	<u>\$ 139</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Hearthstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Hearthstone Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Hearthstone Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Hearthstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$7,842 on June 26, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$202 and \$531 respectively in these financial statements are subject to measurement uncertainty, due to the fact that accruals were based on estimated calculated trends and prior period analysis as well as current child placement. The actual amount could vary significantly from that estimated.

Hearthstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 7,437
Reduction in funding for the current year	(50)
Grant for the Year	<u>\$ 7,387</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 170	\$ 164
Child and Family Services Authorities	19	32
Refunds from Suppliers	13	7
Alberta Health and Wellness	-	208
	<u>\$ 202</u>	<u>\$ 411</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are, related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 42	\$ 18
Child and Family Services Authorities	30	18
Accrued Vacation Pay	160	159
Trade Payable	299	300
	<u>\$ 531</u>	<u>\$ 495</u>

Hearthstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Commitments

As at March 31, 2003, the Authority has the following commitments:

Long-term leases^(a)

(In thousands)	
2003	2002
\$ 90	\$ 64

- (a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)	
2004	\$ 46
2005	\$ 22
2006	\$ 20
2007	\$ 2

Note 7 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Hearthstone Child and Family Services Authority will be apportioned and added to the following new authorities:

Calgary and Area Child and Family Services Authority – approximately 33% of April 1, 2003 net assets.

Central Child and Family Services Authority – approximately 67% of April 1, 2003 net assets.

Note 8 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 9 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Hearthstone Child and Family Services Authority

Expenses Detailed by Object

Schedule 1

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower	\$ 2,176	\$ 1,932	\$ 1,953
Supplies and services	4,973	5,296	5,526
Grants	492	492	422
Inter-Authority Services	201	114	162
Other	-	1	26
	<u>7,842</u>	<u>7,835</u>	<u>8,089</u>
Less: Recovery from Alberta Health and Wellness	-	(180)	(208)
Recovery from Alberta Human Resources and Employment	-	-	(20)
	<u>\$ 7,842</u>	<u>\$ 7,655</u>	<u>\$ 7,861</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$28,000 (2002 - \$11,000) in achievement bonuses for management and non-union staff.

Hearthstone Child and Family Services Authority

Schedule 2

Disclosure of Salary and Benefits

For the year ended March 31, 2003

	(In thousands)				
	2003			2002	
	Salary	Benefits and Allowances	Total	Total	
Co-Chair of the Authority	\$ 23	\$ -	\$ 23	\$ 31	
Co-Chair of the Authority	\$ 12	\$ -	\$ 12	\$ 9	
Board Members (6 members)	\$ 18	\$ -	\$ 18	\$ 29	
Chief Executive Officer	\$ 93	\$ 19	\$ 112	\$ 98	

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As a result of the transition from 18 to 10 Child and Family Services effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve Hearthstone, Keystone and Diamond Willow, while the schedule above includes the full salary of the transitional CEO for February and March, the Authority only paid for a portion (33%) of the transitional CEO's salary and benefits.

Hearthstone Child and Family Services Authority

Related Party Transactions

Schedule 3

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulations for permits, licences and other charges. These amounts are incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 7,387	\$ 7,472	\$ -	\$ -
Recoveries - Resident on Reserves	101	182	-	-
Recoveries - Inter-Authority Services	114	162	-	-
	<u>\$ 7,602</u>	<u>\$ 7,816</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 114	\$ 190	\$ -	\$ -
Department of Children's Services	179	182	-	-
	<u>\$ 293</u>	<u>\$ 372</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 129	\$ 164	\$ -	\$ -
Calgary Rocky View Child and Family Services Authority	5	8	-	-
Diamond Willow Child and Family Services Authority	(15)	2	-	-
Ribstone Child and Family Services Authority	-	3	-	-
Region 13 Child and Family Services Authority	-	1	-	-
	<u>\$ 119</u>	<u>\$ 178</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities 2003	2002
Expenses (notional):		
Accommodation	\$ 195	\$ 314
Administrative	208	179
Legal Services	22	7
	<u>\$ 425</u>	<u>\$ 500</u>

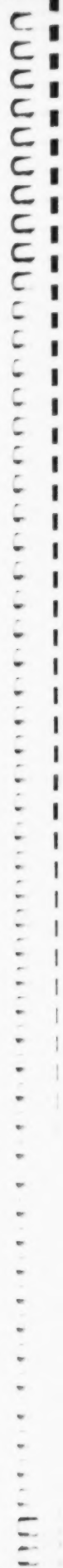
Hearthstone Child and Family Services Authority

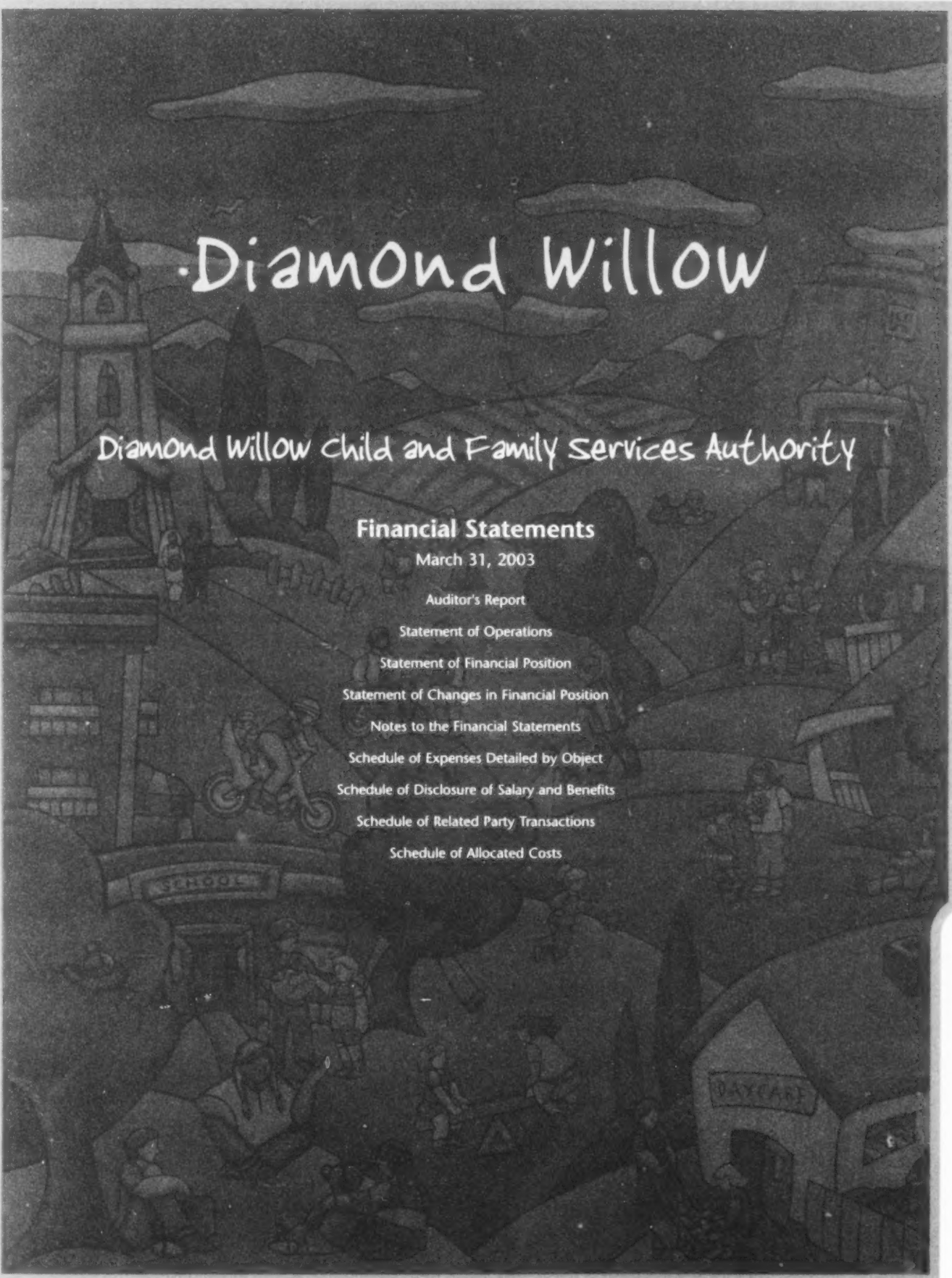
Schedule 4

Allocated Costs
For the year ended March 31, 2003

Program	(In thousands)						2002
	2003						
	Expenses - Incurred by Others				Valuation Adjustments	Total	Total
	Expenses ⁽¹⁾	Accommodation Costs	Administration Costs	Legal Services ⁽⁴⁾	Vacation Pay	Expenses	Expenses
Program Support	\$ 525	\$ 23	\$ 208	\$ -	\$ -	\$ 756	\$ 988
Child Welfare	4,693	142	-	22	1	4,858	4,742
Services to Children with Disabilities	1,109	18	-	-	-	1,127	1,302
Child Care	525	12	-	-	-	537	468
Early Intervention	297	-	-	-	-	297	435
Prevention of Family Violence	248	-	-	-	-	248	264
Mentoring for Parents	127	-	-	-	-	127	-
Fetal Alcohol Initiatives	16	-	-	-	-	16	-
Inter-Authority Services	114	-	-	-	-	114	162
	<u>\$ 7,654</u>	<u>\$ 195</u>	<u>\$ 208</u>	<u>\$ 22</u>	<u>\$ 1</u>	<u>\$ 8,080</u>	<u>\$ 8,361</u>

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.





Diamond Willow

Diamond Willow Child and Family Services Authority

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Diamond Willow Child and Family Services Authority

Auditor's Report



To the Members of the Central Alberta Child and Family Services Authority (Region 4) and the Minister of Children's Services

I have audited the statement of financial position of the Diamond Willow Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA

Auditor General

Edmonton, Alberta

May 23, 2003

Diamond Willow Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 28,179	\$ 28,404	\$ 29,524
Recoveries - Resident on Reserve	400	777	607
Recoveries - Inter-Authority Services	455	268	527
Miscellaneous Revenue	-	70	65
	<u>29,034</u>	<u>29,519</u>	<u>30,723</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	94	94	95
Management and Program Support	1,380	601	1,729
Community Coordination	1,118	1,326	1,405
Services to Children and Families:			
Child Welfare	16,712	17,108	17,333
Services to Children with Disabilities	3,691	3,973	4,004
Child Care	3,354	2,936	3,197
Early Intervention	1,146	1,696	1,247
Prevention of Family Violence	707	820	711
Mentoring for Parents	313	424	-
Fetal Alcohol Initiatives	64	163	86
Inter-Authority Services	455	268	527
Valuation Adjustments:			
Vacation Pay (Note 2)	-	4	122
	<u>29,034</u>	<u>29,413</u>	<u>30,456</u>
Net Operating Results	<u>\$ -</u>	<u>\$ 106</u>	<u>\$ 267</u>

The accompanying notes and schedules are part of these financial statements.

Diamond Willow Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 1,366	\$ -
Accounts Receivable (Note 4)	724	2,383
Advances	1	3
	<u>\$ 2,091</u>	<u>\$ 2,386</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 1,671	\$ 1,794
Bank Indebtedness (Note 6)	-	278
	<u>1,671</u>	<u>2,072</u>
Net Assets		
Net Assets at Beginning of Year	314	47
Net Operating Results	106	267
Net Assets at End of Year	<u>420</u>	<u>314</u>
	<u>\$ 2,091</u>	<u>\$ 2,386</u>

The accompanying notes and schedules are part of these financial statements.

Diamond Willow Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

Operating Transactions

	(In thousands)	
	2003	2002
Net Operating Results	\$ 106	\$ 267
Non-Cash Items:		
Vacation Pay	4	122
	110	389
Decrease (Increase) in Accounts Receivable	1,659	(1,179)
Decrease in Advances	2	
Decrease in Accounts Payable and Accrued Liabilities ^(a)	(127)	(1,122)
Cash Provided (Used) by Operating Transactions	1,644	(1,912)

Cash/(Bank Indebtedness), Beginning of Year

(278) 1,634

Cash/(Bank Indebtedness), End of Year

\$ 1,366 \$ (278)

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Diamond Willow Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Diamond Willow Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Diamond Willow Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Diamond Willow Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable, and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$29,034 on March 21, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$724 and \$1,671 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Diamond Willow Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 28,179
Additional funding provided for the current year	225
Grant for the year	<u>\$ 28,404</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 689	\$ 686
Child and Family Services Authorities	32	41
Refunds from Suppliers	-	1,655
Other	3	1
	<u>\$ 724</u>	<u>\$ 2,383</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 37	\$ 27
Accrued Vacation Pay	624	776
Trade Payable	1,010	991
	<u>\$ 1,671</u>	<u>\$ 1,794</u>

Note 6 Bank Indebtedness

Any interest charges are recorded by the Department of Finance.

Diamond Willow Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases	\$ 128	\$ 110

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2004	\$	67
2005	\$	39
2006	\$	19
2007	\$	5

Note 8 Subsequent Event (In thousands)

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Diamond Willow Child and Family Services Authority will be part of the new Central Alberta Child and Family Services Authority. The new Child and Family Services Authority's restated budget for 2002-2003 is \$48,195. The estimated net liabilities of the new Child and Family Services Authority are \$44 at April 1, 2003, which are made up of approximately 67% of the Hearthstone Child and Family Services Authority, 100% of the Diamond Willow Child and Family Services Authority, approximately 13% of the Ribstone Child and Family Services Authority and 100% of the Keystone Child and Family Services Authority.

Note 9 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 10 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 11 Approval Of Financial Statements

The financial statements have been approved by the Authority.

Diamond Willow Child and Family Services Authority

Expenses Detailed by Object

Schedule 1

For the year ended March 31, 2003

	(in thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 7,392	\$ 6,604	\$ 6,627
Supplies and services	18,545	19,885	20,952
Grants	3,097	2,652	2,635
Inter-Authority Services	-	268	527
Other	-	4	122
	<u>\$ 29,034</u>	<u>\$ 29,413</u>	<u>\$ 30,863</u>
Less: Recovery from Alberta Health and Wellness	-	-	(348)
Recovery from Alberta Human Resources and Employment	-	-	(59)
	<u>\$ 29,034</u>	<u>\$ 29,413</u>	<u>\$ 30,456</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$37,000 (2002 - \$21,000) in achievement bonuses for management and non-union staff.

Diamond Willow Child and Family Services Authority

Schedule 2

Disclosure of Salary and Benefits

For the year ended March 31, 2003

	(In thousands)			2002
	2003			
	Salary ⁽¹⁾	Benefits and Allowances ⁽²⁾	Total	Total
Co-Chair of the Authority	\$ 17	\$ -	\$ 17	\$ 15
Co-Chair of the Authority	\$ 20	\$ -	\$ 20	\$ 19
Board Members (8 members) (2002-12 members)	\$ 43	\$ -	\$ 43	\$ 47
Chief Executive Officer ⁽³⁾	\$ 82	\$ 20	\$ 102	\$ 123

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As of January 24, 2003 a transitional CEO was appointed to serve Diamond Willow, Keystone and Hearthstone. While the schedule above includes the full salary of the transitional CEO for February and March, the Authority only paid for a portion (33%) of the transitional CEO's salary and benefits.

Diamond Willow Child and Family Services Authority

Related Party Transactions

Schedule 3

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 28,404	\$ 29,524	\$ -	\$ -
Recoveries - Resident on Reserves	777	607	-	-
Recoveries - Inter-Authority Services	268	527	-	-
Prior Year Revenue - Inter-Authority Services	-	39	-	-
	<u>\$ 29,449</u>	<u>\$ 30,697</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 67	\$ 146	\$ -	\$ -
Department of Children's Services	657	663	-	-
Alberta Corporate Service Centre	-	-	14	-
	<u>\$ 724</u>	<u>\$ 809</u>	<u>\$ 14</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 692	\$ 686	\$ -	\$ -
Southeast Child and Family Services Authority	(2)	-	-	-
Calgary Rocky View Child and Family Services Authority	1	(3)	-	-
Hearthstone Child and Family Service Authority	15	(1)	-	-
Ribstone Child and Family Service Authority	2	9	-	-
West Yellowhead Child and Family Service Authority	-	3	-	-
Keystone Child and Family Service Authority	-	10	-	-
Ma'mowe Capital Region Child and Family Service Authority	(19)	(5)	-	-
Sakaigun Asky Child and Family Service Authority	(1)	-	-	-
Silver Birch Child and Family Service Authority	-	1	-	-
	<u>\$ 688</u>	<u>\$ 700</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 843	\$ 773
Administrative	303	282
Legal Services	10	6
	<u>\$ 1,156</u>	<u>\$1,061</u>

Diamond Willow Child and Family Services Authority

Schedule 4

Allocated Costs

For the year ended March 31, 2003

Program	(In thousands)						
	2003						2002
	Expenses - Incurred by Others				Valuation		Total Expenses
	Expenses ⁽¹⁾	Accommodation Costs ⁽²⁾	Administration Costs ⁽³⁾	Legal Services ⁽⁴⁾	Adjustments ⁽⁵⁾		
					Vacation Pay		
Program Support	\$ 2,021	\$ 54	\$ 303	\$ -	\$ -	\$ 2,378	\$ 3,557
Child Welfare	17,108	649	-	10	4	17,771	18,054
Services to Children with Disabilities	3,973	69	-	-	-	4,042	4,073
Child Care	2,936	65	-	-	-	3,001	3,262
Early Intervention	1,696	6	-	-	-	1,702	1,247
Prevention of Family Violence	820	-	-	-	-	820	711
Mentoring for Parents	424	-	-	-	-	424	-
Fetal Alcohol Initiatives	163	-	-	-	-	163	86
Inter-Authority Services	268	-	-	-	-	268	527
	\$ 29,409	\$ 843	\$ 303	\$ 10	\$ 4	\$ 30,569	\$ 31,517

1) Expenses as per the Statement of Operations, excluding valuation adjustments.

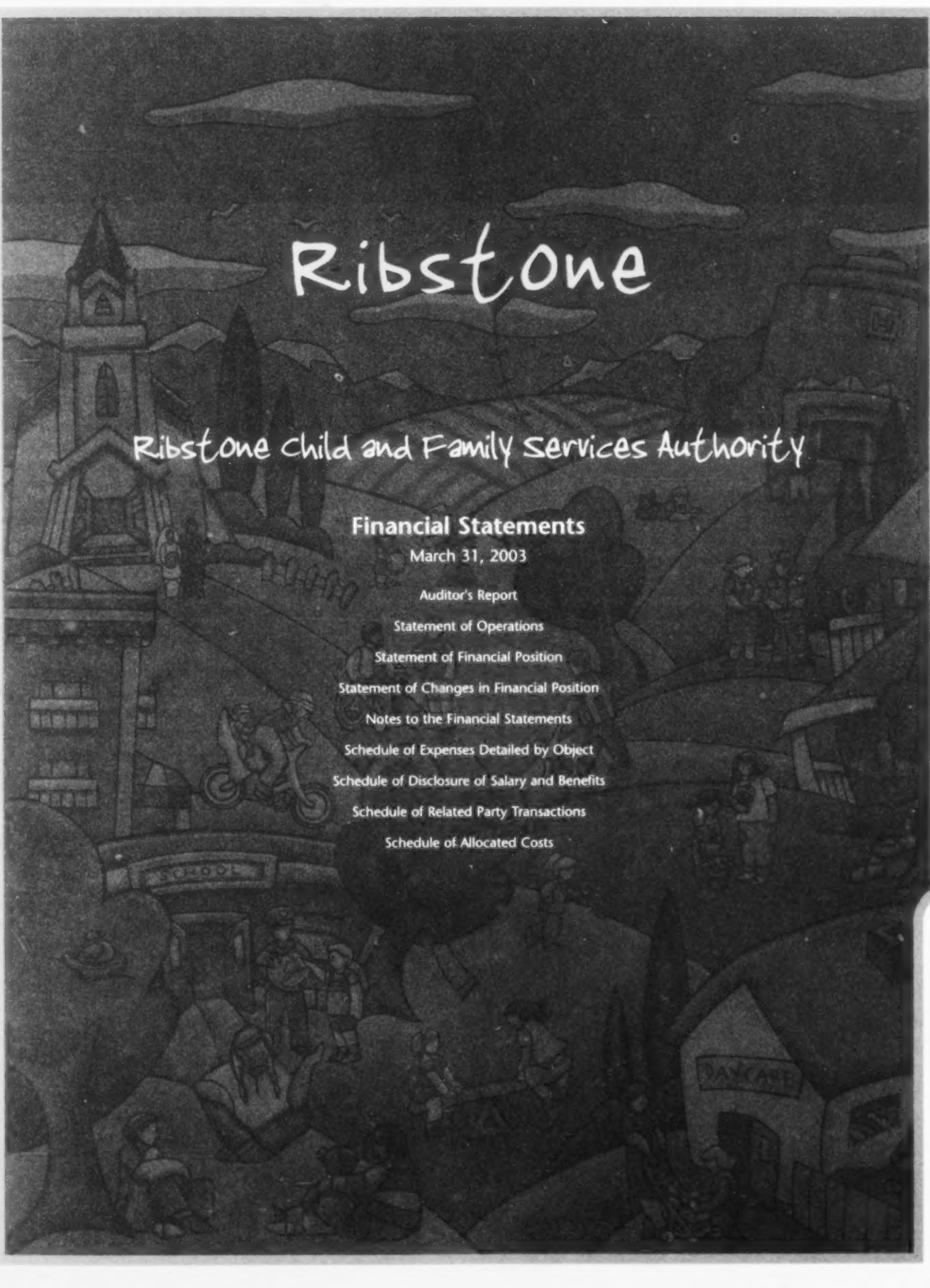
2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.

4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.





Ribstone

Ribstone Child and Family Services Authority

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Ribstone Child and Family Services Authority

Auditor's Report



To the Members of the East Central Alberta Child and Family Services Authority (Region 7) and the Minister of Children's Services

I have audited the statement of financial position of the Ribstone Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Ribstone Child and Family Services Authority

Statement of Operation

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 11,668	\$ 11,551	\$ 11,660
Recoveries - Resident on Reserve	204	410	259
Recoveries - Inter-Authority Services	110	215	187
Miscellaneous Revenue (Note 6)	-	156	203
	<u>11,982</u>	<u>12,332</u>	<u>12,309</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	124	83	90
Management and Program Support	478	1,113	1,212
Community Coordination	664	-	27
Services to Children and Families:			
Child Welfare	5,734	5,632	5,902
Services to Children with Disabilities	2,240	2,103	2,449
Child Care	1,263	1,027	1,210
Early Intervention	709	556	405
Prevention of Family Violence	488	693	643
Mentoring for Parents	143	143	145
Fetal Alcohol Initiatives	29	21	40
Inter-Authority Services	110	215	187
Valuation Adjustments:			
Vacation Pay (Note 2)	-	(14)	43
	<u>11,982</u>	<u>11,572</u>	<u>12,353</u>
Net Operating Results	<u>\$ -</u>	<u>\$ 760</u>	<u>\$ (44)</u>

The accompanying notes and schedules are part of these financial statements.

Ribstone Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

		(In thousands)	
		2003	2002
Assets			
Cash	\$	1,007	\$ 355
Accounts Receivable (Note 4)		386	318
	\$	<u>1,393</u>	<u>\$ 673</u>
Liabilities			
Accounts Payable and Accrued Liabilities (Note 5)	\$	625	\$ 665
		<u>625</u>	<u>665</u>
Net Assets			
Net Assets at Beginning of Year		8	52
Net Operating Results		760	(44)
Net Assets at End of Year		<u>768</u>	<u>8</u>
	\$	<u>1,393</u>	<u>\$ 673</u>

The accompanying notes and schedules are part of these financial statements.

Ribstone Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ 760	\$ (44)
Non-Cash Items:		
Valuation Adjustments	(14)	43
	746	(1)
(Increase) Decrease in Accounts Receivable	(68)	319
(Decrease) in Accounts Payable and Accrued Liabilities ^(a)	(26)	(104)
Cash Provided by Operating Transactions	652	214
Cash, Beginning of Year	355	141
Cash, End of Year	<u>\$ 1,007</u>	<u>\$ 355</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Ribstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Ribstone Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Ribstone Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Ribstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services; and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash and accounts receivable approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$11,982 on May 21, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$386 and \$625 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Ribstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant From the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 11,668
Reduction to funding for the current year	(117)
Grant for the year	<u>\$ 11,551</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 254	\$ 243
Child and Family Services Authorities	37	16
Refunds from Suppliers	92	57
GST	3	2
	<u>\$ 386</u>	<u>\$ 318</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 15	\$ 43
Accrued Vacation Pay	244	242
Trade Payable	366	380
	<u>\$ 625</u>	<u>\$ 665</u>

Ribstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Home Visitation	\$ 150	\$ 150
Previous year over accrual	29	11
Other miscellaneous revenue	127	42
	<u>\$ 156</u>	<u>\$ 203</u>

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases ^(a)	<u>\$ 70</u>	<u>\$ 50</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates in 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)	
	2004	\$ 30
	2005	\$ 20
	2006	\$ 18
	2007	\$ 2

Note 8 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Ribstone Child and Family Services Authority will be apportioned and added to the following new authorities:

East Central Child and Family Services Authority -- approximately 87% of April 1, 2003 net assets

Central Child and Family Services Authority -- approximately 13% of April 1, 2003 net assets

Ribstone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 9 Change in Authority Regional Boundary (In thousands)

Effective April 1, 2002, the Authority's regional boundary was decreased. As a result, the funding from the Department of Children's Services was decreased by \$96.

This regional boundary change is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable.

Note 10 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 11 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 12 Approval of Financial Statements

The financial statements have been approved by the Authority.

Ribstone Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower	\$ 2,802	\$ 2,856	\$ 2,818
Supplies and services	8,028	6,580	7,412
Grants	1,042	1,935	1,931
Inter-Authority Services	110	215	187
Other	-	(14)	41
	<u>11,982</u>	<u>11,572</u>	<u>12,393</u>
Less:			
Recovery from Alberta Human Resources & Employment	-	-	(40)
	<u>\$ 11,982</u>	<u>\$ 11,572</u>	<u>\$ 12,353</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$23,000 (2002 - \$10,000) in achievement bonuses for management and non-union staff.

Ribstone Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			2002 Total
	Salary	Benefits and Allowances	Total	
Co-Chair of the Authority	\$ 23	\$ -	\$ 23	\$ 19
Co-Chair of the Authority	\$ 11	\$ -	\$ 11	\$ 16
Board Members (7 members)	\$ 34	\$ -	\$ 34	\$ 29
Chief Executive Officer ⁽¹⁾	\$ 97	\$ 12	\$ 109	\$ 97

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve Ribstone Child & Family Services Authority. The schedule above includes the full salary of the transitional CEO for February and March.

Ribstone Child and Family Services Authority

Related Party Transactions

Schedule 3

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 11,551	\$ 11,660	\$ -	\$ -
Recoveries - Resident on Reserves	378	259	-	-
Recoveries - Inter-Authority Services	194	176	-	-
Prior Year Revenue - Inter-Authority Services	21	11	-	-
Prior Year Revenue - Resident on Reserves	32	-	-	-
Conditional Grant-Home Visitation Program - Department of Children Services	-	150	-	-
	<u>\$ 12,176</u>	<u>\$ 12,256</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 282	\$ 324	\$ -	\$ -
Department of Children's Services	212	263	-	-
	<u>\$ 494</u>	<u>\$ 587</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 254	\$ 243	\$ -	\$ -
Calgary Rocky View Child & Family Services Authority	-	1	-	-
Hearthstone Child & Family Services Authority	-	(3)	-	-
Diamond Willow Child & Family Services Authority	(2)	(9)	-	-
West Yellowhead Child & Family Services Authority	3	1	-	-
Keystone Child & Family Services Authority	10	3	-	-
Ma'möwe Capital Region Child & Family Services Authority	11	(23)	-	-
Metis Settlements Child & Family Services Authority	-	3	-	-
	<u>\$ 276</u>	<u>\$ 216</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 532	\$ 421
Administrative	158	168
Legal Services	28	38
	<u>\$ 718</u>	<u>\$ 627</u>

Ribstone Child and Family Services Authority

Allocated Costs

Schedule 4

For the year ended March 31, 2003

Program	(In thousands)							2002
	2003							
	Expenses - Incurred by Others				Valuation Adjustments	Total Expenses	Total Expenses	
	Expenses	Accommodation Costs	Administration Costs	Legal Services	Vacation Pay			
Program Support	\$ 1,196	\$ 56	\$ 158	\$ -	\$ (1)	\$ 1,409	\$ 1,543	
Child Welfare	5,632	356	-	28	(10)	6,006	6,257	
Services to Children with Disabilities	2,103	80	-	-	(2)	2,181	2,519	
Child Care	1,027	40	-	-	(1)	1,066	1,241	
Early Intervention	556	-	-	-	-	556	405	
Prevention of Family Violence	693	-	-	-	-	693	643	
Mentoring for Parents	143	-	-	-	-	143	145	
Fetal Alcohol Initiatives	21	-	-	-	-	21	40	
Inter-Authority Services	215	-	-	-	-	215	187	
	\$ 11,586	\$ 532	\$ 158	\$ 28	\$ (14)	\$ 12,290	\$ 12,980	

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

West Yellowhead

West Yellowhead Child and Family Services Authority

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West Yellowhead Child and Family Services Authority

Auditor's Report



To the Members of the Edmonton and Area Child and Family Services Authority (Region 6) and the Minister of Children's Services

I have audited the statement of financial position of the West Yellowhead Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

West Yellowhead Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 13,732	\$ 14,424	\$ 14,224
Recoveries - Resident on Reserve	3,578	2,797	3,862
Recoveries - Inter-Authority Services	100	184	265
Miscellaneous Revenue	-	124	100
	<u>17,410</u>	<u>17,529</u>	<u>18,451</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	143	65	94
Management and Program Support	711	673	772
Community Coordination	89	124	152
Services to Children and Families:			
Child Welfare	12,048	11,777	12,278
Services to Children with Disabilities	1,506	1,470	1,527
Child Care	1,119	1,183	1,383
Early Intervention	731	815	914
Prevention of Family Violence	334	396	419
Mentoring for Parents	209	160	60
Fetal Alcohol Initiatives	43	130	76
Inter-Authority Services	100	184	265
Valuation Adjustments:			
Vacation Pay (Note 2)	-	10	40
	<u>17,033</u>	<u>16,987</u>	<u>17,980</u>
Net Operating Results	<u>\$ 377</u>	<u>\$ 542</u>	<u>\$ 471</u>

The accompanying notes and schedules are part of these financial statements.

West Yellowhead Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 780	\$ 74
Accounts Receivable (Note 4)	958	1,286
Advances	1	1
	<u>\$ 1,739</u>	<u>\$ 1,361</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 1,103	\$ 1,267
	<u>1,103</u>	<u>1,267</u>
Net assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	94	(377)
Net Operating Results	542	471
Net Assets at End of Year	<u>636</u>	<u>94</u>
	<u>\$ 1,739</u>	<u>\$ 1,361</u>

The accompanying notes and schedules are part of these financial statements.

West Yellowhead Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ 542	\$ 421
Non-Cash Items:		
Valuation Adjustments	10	40
	552	511
Decrease in Accounts Receivable	328	1,274
Increase in Advances	-	(1)
Decrease in Accounts Payable and Accrued Liabilities ^(a)	(174)	(1,089)
Cash Provided by Operating Transactions	706	695
Cash, Beginning of Year	74	(623)
Cash, End of Year	<u>\$ 780</u>	<u>\$ 74</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

West Yellowhead Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The West Yellowhead Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the West Yellowhead Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

West Yellowhead Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services; and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$17,033 on July 17, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$958 and \$1,103 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

West Yellowhead Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 13,732
Reduction for budgeted 2000/2001 accumulated deficit funding actually funded in 2001/2002	(377)
Additional funding provided for the current year	1,069
Grant for the year	<u>\$ 14,424</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 782	\$ 1,131
Child and Family Services Authorities	29	64
Alberta Health & Wellness	-	90
Grant MacEwan, Office of Public Trustee	145	-
GST	2	1
	<u>\$ 958</u>	<u>\$ 1,286</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 64	\$ 189
Accrued Vacation Pay	396	364
Trade Payable	643	714
	<u>\$ 1,103</u>	<u>\$ 1,267</u>

West Yellowhead Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Previous year over accrual	\$ 116	\$ 90
Other miscellaneous revenue	8	10
	<u>\$ 124</u>	<u>\$ 100</u>

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases	<u>\$ 88</u>	<u>\$ 81</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)	
2004	\$	44
2005	\$	26
2006	\$	15
2007	\$	3

Note 8 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The West Yellowhead Child and Family Services Authority will be apportioned and added to the following new authorities:

Edmonton and Area Child and Family Services Authority – approximately 66% of April 1, 2003 net assets.

North Central Child and Family Services Authority – approximately 34% of April 1, 2003 net assets.

West Yellowhead Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 9 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 10 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 11 Approval of Financial Statements

The financial statements have been approved by the Authority.

West Yellowhead Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(in thousands)		2002
	2003		
	Budget	Actual	Actual
Manpower ^(a)	\$ 4,406	\$ 4,151	\$ 4,078
Supplies and services	11,233	11,654	12,419
Grants	1,294	1,264	1,362
Inter-Authority Services	100	184	265
Other	-	10	40
	<u>\$ 17,033</u>	<u>\$ 17,263</u>	<u>\$ 18,164</u>
Less:			
Recovery from Alberta Health & Wellness	-	(276)	(90)
Recovery from Alberta Human Resources & Employment	-	-	(94)
	<u>\$ 17,033</u>	<u>\$ 16,987</u>	<u>\$ 17,980</u>

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$25,000 (2002 - \$9,000) in achievement bonuses for management and non-union staff.

West Yellowhead Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)				
	2003			2002	
	Salary	Benefits and Allowances	Total	Total	
Co-Chair of the Authority	\$ 15	\$ -	\$ 15	\$	21
Co-Chair of the Authority	\$ 15	\$ -	\$ 15	\$	21
Board Members (4 members)	\$ 26	\$ -	\$ 26	\$	29
Chief Executive Officer	\$ 89	\$ 15	\$ 104	\$	105

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) The position of CEO was occupied by three individuals. As a result of the transition from 18 to 10 Child and Family Service Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 23, 2003 a transitional CEO was appointed to serve West Yellowhead Child & Family Services, who in turn appointed an assistant transitional CEO. The schedule above includes the full salary of the assistant transitional CEO and 50% of the transitional CEO's salary and benefits for February and March.

West Yellowhead Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 14,424	\$ 14,224	\$ -	\$ -
Recoveries - Resident on Reserves	2,797	3,862	-	-
Recoveries - Inter-Authority Services	177	240	-	-
Prior Year Revenue - Inter-Authority Services	7	25	-	-
	<u>\$ 17,405</u>	<u>\$ 18,351</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 667	\$ 1,245	\$ -	\$ -
Department of Children's Services	316	395	-	-
	<u>\$ 983</u>	<u>\$ 1,640</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 782	\$ 1,131	\$ -	\$ -
Rocky View Child and Family Services Authority	4	(1)	-	-
Diamond Willow Child and Family Services Authority	-	(3)	-	-
Ribstone Child and Family Services Authority	(3)	-	-	-
Ma'möwe Capital Region Child and Family Services Authority	(45)	(175)	-	-
Sakaw-Askiy Child and Family Services Authority	23	55	-	-
Sakaigun Asky Child and Family Services Authority	(10)	2	-	-
Child and Family Services Authority Region 13	(2)	(2)	-	-
Region 14 Child and Family Services Authority	(1)	-	-	-
Awasak Child and Family Services Authority	(1)	(1)	-	-
Silver Birch Child and Family Services Authority	-	-	-	-
Alberta Health & Wellness	-	-	-	90
	<u>\$ 747</u>	<u>\$ 1,006</u>	<u>\$ -</u>	<u>\$ 90</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 516	\$ 434
Administrative	175	162
Legal Services	58	172
	<u>\$ 749</u>	<u>\$ 768</u>

West Yellowhead Child and Family Services Authority

Allocated Costs

Schedule 4

For the year ended March 31, 2003

Program	(in thousands)						
	2003					2002	
	Expenses - Incurred by Others				Valuation	Total	Total
	Expenses	Accommodation	Administration	Legal	Adjustments		
Costs		Costs	Services	Vacation	Pay	Expenses	Expenses
Program Support	\$ 862	\$ 28	\$ 175	\$ -	\$ 1	\$ 1,066	\$ 1,215
Child Welfare	11,777	433	-	58	8	12,276	12,845
Services to Children with Disabilities	1,470	35	-	-	1	1,506	1,554
Child Care	1,183	16	-	-	-	1,199	1,394
Early Intervention	815	4	-	-	-	819	920
Prevention of Family Violence	396	-	-	-	-	396	419
Mentoring for Parents	160	-	-	-	-	160	60
Fetal Alcohol Initiatives	130	-	-	-	-	130	76
Inter-Authority Services	184	-	-	-	-	184	265
	\$ 16,977	\$ 516	\$ 175	\$ 58	\$ 10	\$ 17,736	\$ 18,748

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

Keystone

Keystone Child and Family Service Authority

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Schedule of Allocated Costs

Keystone Child and Family Services Authority

Auditor's Report



To the Members of the Central Alberta Child and Family Services Authority (Region 4) and the Minister of Children's Services

I have audited the statement of financial position of the Keystone Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'Fred J. Deem'.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Keystone Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 9,728	\$ 9,253	\$ 9,666
Recoveries - Resident on Reserve	3,400	2,954	3,587
Recoveries - Inter-Authority Services	10	7	8
Miscellaneous Revenue (Note 7)	-	71	16
	<u>13,138</u>	<u>12,285</u>	<u>13,277</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	160	99	98
Management and Program Support	565	510	618
Community Coordination	139	143	188
Services to Children and Families:			
Child Welfare	9,010	9,531	9,078
Services to Children with Disabilities	1,045	1,046	1,226
Child Care	717	642	732
Early Intervention	717	570	561
Prevention of Family Violence	128	146	137
Mentoring for Parents	124	77	-
Fetal Alcohol Initiatives	25	102	35
Inter-Authority Services	10	7	8
Valuation Adjustments:			
Vacation Pay (Note 2)	-	25	50
	<u>12,640</u>	<u>12,898</u>	<u>12,731</u>
Net Operating Results	<u>\$ 498</u>	<u>\$ (613)</u>	<u>\$ 546</u>

The accompanying notes and schedules are part of these financial statements.

Keystone Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Accounts Receivable (Note 4)	\$ 654	\$ 904
Liabilities		
Bank Indebtedness (Note 5)	\$ 382	\$ 149
Accounts Payable and Accrued Liabilities (Note 6)	837	707
	1,219	856
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	48	(498)
Net Operating Results	(613)	546
Net Assets (Liabilities) at End of Year	(565)	48
	\$ 654	\$ 904

The accompanying notes and schedules are part of these financial statements.

Keystone Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

Operating Transactions:

Net Operating Results

Non-Cash Items:

Valuation Adjustments

Decrease (Increase) in Accounts Receivable

Decrease in Advances

Increase (Decrease) in Accounts Payable and Accrued Liabilities

Cash Used by Operating Transactions

Cash/(Bank Indebtedness), Beginning of Year

Bank Indebtedness End of Year

(In thousands)	
2003	2002
\$ (613)	\$ 546
25	50
(588)	596
250	(210)
-	1
105	(568)
(233)	(181)
(149)	32
<u>\$ (382)</u>	<u>\$ (149)</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Keystone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Keystone Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Keystone Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Keystone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services; and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of accounts receivable approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$12,640 on May 21, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$654 and \$837 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Keystone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 9,728
Reduction for budgeted 2000/2001 accumulated deficit funding actually funded in 2001/2002	(498)
Additional funding provided for the current year	23
Grant for the year	<u>\$ 9,253</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 653	\$ 878
Refunds from Suppliers	-	25
Other	1	1
	<u>\$ 654</u>	<u>\$ 904</u>

Note 5 Bank Indebtedness

Any interest charges are recorded by the Department of Finance.

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 49	\$ 43
Accrued Vacation Pay	317	284
Trade Payable	471	380
	<u>\$ 837</u>	<u>\$ 707</u>

Keystone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 7 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Program Recovery	\$ 7	\$ 16
Previous year over accrual	64	-
	<u>\$ 71</u>	<u>\$ 16</u>

Note 8 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases ^(a)	<u>\$ 73</u>	<u>\$ 85</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)	
2004	\$	50
2005	\$	22
2006	\$	1

Note 9 Subsequent Event (In thousands)

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Keystone Child and Family Services Authority will be part of the new Central Alberta Child and Family Services Authority. The new Child and Family Services Authority's restated budget for 2002-2003 is \$48,195. The estimated net liabilities of the new Child and Family Services Authority are \$44 at April 1, 2003, which are made up of approximately 67% of the Hearststone Child and Family Services Authority, 100% of the Diamond Willow Child and Family Services Authority, approximately 1.3% of the Ribstone Child and Family Services Authority and 100% of the Keystone Child and Family Services Authority.

Keystone Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 10 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 11 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 12 Approval of Financial Statements

The financial statements have been approved by the Authority.

Keystone child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower	\$ 3,824	\$ 3,645	\$ 3,508
Supplies and services	7,914	8,447	8,615
Grants	902	774	576
Inter-Authority Services		7	8
Other		25	50
	<u>\$ 12,640</u>	<u>\$ 12,898</u>	<u>\$ 12,757</u>
Less: Recovery from Alberta Human Resources & Employment		-	(26)
	<u>\$ 12,640</u>	<u>\$ 12,898</u>	<u>\$ 12,731</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$21,000 (2002 - \$15,000) in achievement bonuses for management and non-union staff.

Keystone Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			2002	
	Salary	Benefits and Allowances	Total	Total	
Co-Chair of the Authority	\$ 21	\$ -	\$ 21	\$	19
Co-Chair of the Authority	\$ 20	\$ -	\$ 20	\$	8
Board Members (5 members)	\$ 40	\$ -	\$ 40	\$	42
Chief Executive Officer ⁽¹⁾	\$ 105	\$ 5	\$ 110	\$	99

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve this authority and Hearthstone and Diamond Willow authorities, while the schedule above includes the full salary of the transitional CEO for February and March, the Authority only paid for a portion (33%) of the transitional CEO's salary and benefits.

Keystone Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulations for permits, licences and other charges. These amounts are incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 9,253	\$ 9,640	\$ -	\$ -
Recoveries - Resident on Reserves	2,954	3,587	-	-
Recoveries - Inter-Authority Services	7	8	-	-
Alberta Human Resources and Employment	-	-	-	26
	<u>\$ 12,214</u>	<u>\$ 13,235</u>	<u>\$ -</u>	<u>\$ 26</u>
Expenses:				
Inter-Authority Services Received	\$ 394	\$ 496	\$ -	\$ -
Department of Children's Services	256	400	-	-
	<u>\$ 650</u>	<u>\$ 896</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 654	\$ 878	\$ -	\$ -
Diamond Willow Child and Family Services Authority	-	(10)	-	-
Ribstone Child and Family Services Authority	(10)	(3)	-	-
Ma'möwe Capital Region Child and Family Services Authority	(39)	(30)	-	-
	<u>\$ 605</u>	<u>\$ 835</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 316	\$ 282
Administrative	242	230
Legal Services	12	4
	<u>\$ 570</u>	<u>\$ 516</u>

Keystone Child and Family Services Authority

Allocated Costs

Schedule 4

For the year ended March 31, 2003

Program	(In thousands)						
	2003					2002	
	Expenses - Incurred by Others				Valuation Adjustments	Total Expenses	Total Expenses
	Expenses	Accommodation Costs	Administration Costs	Legal Services	Vacation Pay		
Program Support	\$ 752	\$ 25	\$ 242	\$ -	\$ 2	\$ 1,021	\$ 1,154
Child Welfare	9,531	248	-	12	20	9,811	9,330
Services to Children with Disabilities	1,046	18	-	-	1	1,065	1,252
Child Care	642	18	-	-	1	661	752
Early Intervention	570	7	-	-	1	578	581
Prevention of Family Violence	146	-	-	-	-	146	137
Mentoring for Parents	77	-	-	-	-	77	-
Fetal Alcohol Initiatives	102	-	-	-	-	102	35
Inter-Authority Services	7	-	-	-	-	7	8
	<u>\$ 12,873</u>	<u>\$ 316</u>	<u>\$ 242</u>	<u>\$ 12</u>	<u>\$ 25</u>	<u>\$ 13,468</u>	<u>\$ 13,249</u>

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

Ma'mõwe Capital Region

Ma'mõwe Capital Region
Child and Family Service Authority

Financial Statements

March 31, 2003

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

Ma'mōwe Capital Region Child and Family Services Authority

Auditor's Report



To the Members of the Edmonton and Area Child and Family Services Authority (Region 6) and the Minister of Children's Services

I have audited the statement of financial position of the Ma'mōwe Capital Region Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 16, 2003

Ma'mōwe Capital Region Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 183,358	\$ 182,468	\$ 181,848
Recoveries - Resident on Reserve	2,872	3,423	3,072
Recoveries - Inter-Authority Services	2,708	1,924	2,526
Miscellaneous Revenue (Note 7)	1,601	2,375	4,504
	<u>190,539</u>	<u>190,190</u>	<u>191,950</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	150	96	136
Management and Program Support	4,589	2,615	4,116
Community Coordination	2,117	3,233	3,521
Services to Children and Families:			
Child Welfare	124,370	128,529	126,716
Services to Children with Disabilities	17,609	16,969	17,197
Child Care	24,776	22,359	23,874
Early Intervention	8,102	8,213	6,132
Prevention of Family Violence	2,705	3,045	2,870
Mentoring for Parents	1,725	1,798	1,237
Fetal Alcohol Initiatives	352	496	339
Inter-Authority Services	2,708	1,924	2,526
Valuation Adjustment:			
Vacation Pay (Note 2)	-	338	552
	<u>189,203</u>	<u>189,615</u>	<u>189,216</u>
Net Operating Results	<u>\$ 1,336</u>	<u>\$ 575</u>	<u>\$ 2,734</u>

The accompanying notes and schedules are part of these financial statements.

Ma'mōwe Capital Region Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 8,371	\$ 5,593
Accounts Receivable (Note 4)	5,347	6,475
Advances	6	5
Capital Assets (Note 5)	43	57
	<u>\$ 13,767</u>	<u>\$ 12,130</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 11,794	\$ 10,732
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	1,398	(1,336)
Net Operating Results	575	2,734
Net Assets at End of Year	<u>1,973</u>	<u>1,398</u>
	<u>\$ 13,767</u>	<u>\$ 12,130</u>

The accompanying notes and schedules are part of these financial statements.

Ma'mōwe Capital Region Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ 575	\$ 2,734
Non-Cash Items:		
Amortization of Capital Assets	14	7
Vacation Pay	338	552
	927	3,293
Decrease in Accounts Receivable	1,128	1,542
Increase in Advances	(1)	(5)
Increase (Decrease) in Accounts Payable and Accrued Liabilities ^(a)	724	(1,091)
Cash Provided by Operating Transactions	2,778	3,739
Investing Transactions:		
Cash Used for the Purchases of Capital Assets	-	(64)
Cash Provided	2,778	3,675
Cash, Beginning of Year	5,593	1,918
Cash, End of Year	<u>\$ 8,371</u>	<u>\$ 5,593</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Ma'môwe Capital Region Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Ma'môwe Capital Region Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements (Note 9) that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Ma'mōwe Capital Region Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable, and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$189,203 on April 24, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$5,347 and \$11,794 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Mam'ōwe Capital Region Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 183,358
Reduction for budgeted 2000/2001 accumulated deficit funding actually funded in 2001/2002	(1,336)
Additional funding for the current year	446
Grant for the year	<u>\$ 182,468</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 4,575	\$ 4,343
Child and Family Services Authorities	482	470
Student Health Initiative	147	813
Alberta Human Resources and Employment	79	57
Other	64	75
Refunds from Suppliers	-	717
	<u>\$ 5,347</u>	<u>\$ 6,475</u>

Note 5 Capital Assets

	(In thousands)				2002
	2003				Net Book
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Value
Equipment	5	\$ 64	\$ 21	\$ 43	<u>\$ 57</u>

Mamowee Capital Region Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

(In thousands)		
	2003	2002
Trade Payable	\$ 7,223	\$ 6,459
Accrued Vacation Pay	4,532	4,215
Child and Family Services Authorities	31	58
Alberta Justice	6	-
Alberta Agriculture	2	-
	<u>\$ 11,794</u>	<u>\$ 10,732</u>

Note 7 Miscellaneous Revenue

Miscellaneous revenues includes the following:

(In thousands)		
	2003	2002
Recoveries of costs incurred under an agreement (see Note 9)	\$ 1,953	\$ 1,693
Other miscellaneous revenue	264	1,047
Previous year over accrual	150	200
Donations	8	64
Home Visitation Grant	-	1,500
	<u>\$ 2,375</u>	<u>\$ 4,504</u>

Note 8 Commitments

As at March 31, 2003, the Authority has the following commitments:

(In thousands)		
	2003	2002
Long-term leases	\$ 21	\$ 17

- (a) The Authority leases certain equipment under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
	2004	\$ 7
	2005	\$ 7
	2006	\$ 7

Ma'mōwe Capital Region Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 9 Third Party Agreements (In thousands)

The Student Health Initiative is an initiative of Alberta Learning, Alberta Health and Wellness and the Authority to deliver integrated health and related support services for children with special health needs registered in school programs. The initiative commenced June 2000. All costs incurred under this agreement are covered by reimbursement from Edmonton Catholic Schools and Elk Island Public Schools.

The revenues and expenses of \$1,514 (2002 - \$1,534) and the resulting accounts receivable of \$147 (2002 - \$813) are included in the financial statements.

A shared service agreement between the Authority and Alberta Human Resources and Employment assigns 7 full time positions to the Edmonton Crisis Unit. The agreement stipulates that Alberta Human Resources and Employment will reimburse the Authority for all salary and benefits costs associated with these 7 positions.

The revenues and expenses of \$439 (2002 - \$159) and the resulting accounts receivable of \$79 (2002 - \$57) are included in the financial statements.

Note 10 Contingencies (In thousands)

At March 31, 2003, the Authority is involved in seven claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2002 - five legal claims). Six of these claims have specified amounts totaling \$135,975 and the remaining one has not specified any amount (2002 - five claims with a specified amount of \$13,475 and two with no specified amount).

Included in the total legal claims are three claims amounting to \$125,300 in which the Authority has been jointly named with other entities. Five claims amounting to \$133,275 are covered by the Alberta Risk Management and Insurance Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 11 Subsequent Event (In thousands)

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Authority will be part of the new Edmonton and Area Child and Family Services Authority. The new Authority's restated budget for 2002-2003 is \$211,390. The estimated net assets of the new Authority are \$3,276 at April 1, 2003, which are made up of 100% of the Ma'mōwe Child and Family Services Authority, approximately 34% of the Sakaw-Askiy Child and Family Services Authority, approximately 24% of the Sakaigun Askiy Child and Family Services Authority and approximately 66% of the West Yellowhead Child and Family Services Authority.

Note 12 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 13 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 14 Approval of Financial Statements

The financial statements have been approved by the Authority.

Ma'môwe Capital Region Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 46,835	\$ 43,650	\$ 42,637
Supplies and services	118,325	123,169	123,179
Grants	21,335	20,520	21,173
Amortization of Capital Assets	-	14	7
Inter-Authority Services	2,708	1,924	2,526
Other	-	338	552
	<u>189,203</u>	<u>189,615</u>	<u>190,074</u>
Less: Recovery from Alberta Human Resources and Employment	-	-	(858)
	<u>\$189,203</u>	<u>\$189,615</u>	<u>\$189,216</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$130,000 (2002 - \$76,000) in achievement bonuses for management and non-union staff.

Na'mōwe Capital Region Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			2002 Total
	2003 Salary ⁽¹⁾	2003 Benefits and Allowances ⁽²⁾	2003 Total	
Co-Chair of the Authority	\$ 11	\$ -	\$ 11	\$ 9
Co-Chair of the Authority	\$ 7	\$ -	\$ 7	\$ 16
Board Members (12 members)	\$ 63	\$ -	\$ 63	\$ 71
Chief Executive Officer ⁽³⁾	\$ 155	\$ 6	\$ 161	\$ 164

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer was shared by three authorities during the course of the year. From April 1, 2002 to January 22, 2003, this individual's services were shared with Sakaw-Askiy Child and Family Services Authority. As of January 23, 2003, this individual was appointed as transitional CEO to serve the Authority and West Yellowhead Child and Family Services Authority. While the schedule above includes the full salary and benefits of the transitional CEO for the year, the Authority only paid a 60% portion from April 2002 to January 2003 and 50% from February to March 2003.

Ma'mōwe Capital Region Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 182,468	\$ 181,848	\$ -	\$ -
Recoveries - Resident on Reserves	3,261	3,072	-	-
Recoveries - Inter-Authority Services	1,924	2,526	-	-
Recoveries - Crisis Unit	-	873	-	-
Prior Year Revenue - Inter-Authority Services	-	14	-	-
Prior Year Revenue - Resident on Reserves	162	-	-	-
Conditional Grant - Home Visitation Program	-	-	-	-
- Department of Children's Services	-	1,500	-	-
Miscellaneous Revenue:				
Alberta Human Resources and Employment	-	-	439	159
Persons with Developmental Disabilities	-	-	102	53
	<u>\$ 187,815</u>	<u>\$ 189,833</u>	<u>\$ 541</u>	<u>\$ 212</u>
Expenses:				
Inter-Authority Services Received	\$ 199	\$ 229	\$ -	\$ -
Alberta Corporate Service Centre	-	-	66	-
Department of Children's Services	2,287	3,532	-	-
	<u>\$ 2,486</u>	<u>\$ 3,761</u>	<u>\$ 66</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 4,575	\$ 4,343	\$ -	\$ -
Calgary Rocky View Child and Family Services Authority	19	12	-	-
Diamond Willow Child and Family Services Authority	19	5	-	-
Ribstone Child and Family Services Authority	(11)	23	-	-
West Yellowhead Child and Family Services Authority	45	175	-	-
Keystone Child and Family Services Authority	39	30	-	-
Sakaw-Askiy Child and Family Services Authority	193	85	-	-
Sakaigun Askiy Child and Family Services Authority	101	68	-	-
Child and Family Services Authority Region 13	-	(9)	-	-
Region 14 Child and Family Services Authority	2	-	-	-
Neequan Awas'ak Child and Family Services Authority	18	2	-	-
Awasak Child and Family Services Authority	25	20	-	-
Silver Birch Child and Family Services Authority	-	1	-	-
Alberta Human Resources and Employment	-	-	79	57
Persons with Developmental Disabilities	-	-	-	15
Alberta Agriculture	-	-	(2)	-
Alberta Justice	-	-	(5)	-
	<u>\$ 5,025</u>	<u>\$ 4,755</u>	<u>\$ 72</u>	<u>\$ 72</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 5,166	\$ 4,697
Administrative	489	478
Legal Services	1,490	1,472
	<u>\$ 7,145</u>	<u>\$ 6,647</u>

Manmōwe Capital Region Child and Family Services Authority

Allocated Costs

For the year ended March 31, 2003

Schedule 4

Program	(In thousands)							2002
	2003							
	Expenses - Incurred by Others				Valuation	Total	Total	
	Expenses	Accommodation	Administration	Legal	Adjustments ⁽¹⁾			
		Costs	Costs	Services ⁽²⁾	Vacation	Pay	Expenses	Expenses
Program Support	\$ 5,944	\$ 296	\$ 489	\$ -	\$ 19	\$ 6,748	\$ 8,843	
Child Welfare	128,529	4,175	-	1,490	274	134,468	132,164	
Services to Children with Disabilities	16,969	355	-	-	23	17,347	17,575	
Child Care	22,359	296	-	-	19	22,674	24,139	
Early Intervention	8,213	29	-	-	2	8,244	6,158	
Prevention of Family Violence	3,045	15	-	-	1	3,061	2,882	
Mentoring for Parents	1,798	-	-	-	-	1,798	1,237	
Fetal Alcohol Initiatives	496	-	-	-	-	496	339	
Inter-Authority Services	1,924	-	-	-	-	1,924	2,526	
	\$ 189,277	\$ 5,166	\$ 489	\$ 1,490	\$ 338	\$ 196,760	\$ 195,863	

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

Sakaw-Askiy[™]

Sakaw-Askiy Child and Family Services Authority

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March 31, 2003

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Sakaw-Askiy Child and Family Services Authority

Auditor's Report



To the Members of the North Central Alberta Child and Family Services Authority (Region 7) and the Minister of Children's Services

I have audited the statement of financial position of the Sakaw-Askiy Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Drum'.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Sakaw-Askiy Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

(In thousands)

Revenues

	2003		2002
	Budget	Actual	Actual
Grant from the Department of Children's Services (Note 3)	\$ 18,719	\$ 19,662	\$ 18,954
Recoveries - Resident on Reserve	267	383	314
Recoveries - Inter-Authority Services	66	15	63
Miscellaneous Revenue (Note 7)	-	407	49
	<u>19,052</u>	<u>20,467</u>	<u>19,380</u>

Expenses (Schedules 1 and 4)

Program Support:			
Board Governance	121	73	102
Management and Program Support	733	598	809
Community Coordination	-	25	4
Services to Children and Families:			
Child Welfare	12,526	13,326	12,368
Services to Children with Disabilities	1,750	2,199	2,372
Child Care	1,378	1,191	1,343
Early Intervention	1,099	1,077	776
Prevention of Family Violence	201	205	217
Mentoring for Parents	158	250	-
Fetal Alcohol Initiatives	32	32	63
Inter-Authority Services	66	15	63
Valuation Adjustments:			
Vacation Pay (Note 2)	-	61	1
	<u>18,064</u>	<u>19,052</u>	<u>18,118</u>

Net Operating Results

\$ 988	\$ 1,415	\$ 1,262
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The accompanying notes and schedules are part of these financial statements.

Sakaw-Askiy Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 2,716	\$ 1,168
Accounts Receivable (Note 4)	506	542
Advances	—	—
Capital Assets (Note 5)	36	—
	<u>\$ 3,258</u>	<u>\$ 1,711</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	\$ 1,569	\$ 1,437
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	274	(988)
Net Operating Results	1,415	1,262
Net Assets at End of Year	<u>1,689</u>	<u>274</u>
	<u>\$ 3,258</u>	<u>\$ 1,711</u>

The accompanying notes and schedules are part of these financial statements.

Sakaw-Askiy Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ 1,415	\$ 1,262
Non-Cash Items:		
Vacation Pay	61	1
	<u>1,476</u>	<u>1,263</u>
Decrease in Accounts Receivable	36	705
Decrease in Advances	1	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities ^(a)	71	(1,234)
Cash Provided by Operating Transactions	<u>1,584</u>	<u>734</u>
Investing Transactions:		
Cash Used for the Purchase of Capital Assets	(36)	-
Cash Provided	<u>1,548</u>	<u>734</u>
Cash, Beginning of Year	1,168	434
Cash, End of Year	<u>\$ 2,716</u>	<u>\$ 1,168</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Sakaw-Askiy Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Sakaw-Askiy Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Sakaw-Askiy Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Sakaw-Askiy Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable, and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$18,064 on May 10, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$506 and \$1,569 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Sakaw-Askiy Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 18,719
Reduction for budgeted 2000/2001 accumulated deficit funding actually funded in 2001/2002	(988)
Additional funding provided for the current year	1,931
Grant for the year	<u>\$ 19,662</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 490	\$ 447
Child and Family Services Authorities	1	56
Alberta Human Resources and Employment	13	-
Refunds from Suppliers	-	38
Other	2	1
	<u>\$ 506</u>	<u>\$ 542</u>

Note 5 Capital Assets

	(In thousands)				2002
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	5	\$ 36	\$ -	\$ 36	\$ -

Sakaw-Askiv Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 234	\$ 189
Accrued Vacation Pay	362	284
Trade Payable	973	964
	<u>\$ 1,569</u>	<u>\$ 1,437</u>

Note 7 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Previous year over accrual	\$ 407	\$ 49

Note 8 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases ^(a)	\$ 46	\$ 79

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are \$46 as follows:

	(In thousands)	
	2004	\$ 34
	2005	\$ 11
	2006	\$ 1

Note 9 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Sakaw-Askiv Child and Family Services Authority will be apportioned and added to the following new authorities:

Edmonton and Area Child and Family Services Authority – approximately 34% of April 1, 2003 net assets
North Central Child and Family Services Authority – approximately 66% of April 1, 2003 net assets.

Sakaw-Askiy Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 10 Change in Authority Regional Boundary (In thousands)

Effective April 1, 2002, the Authority's regional boundary was increased. As a result, the funding from the Department of Children's Services was increased by \$1,883. This regional boundary change was applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable.

Note 11 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 12 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 13 Approval of Financial Statements

The financial statements have been approved by the Authority.

Sakaw-Askiy Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 3,721	\$ 4,047	\$ 3,657
Supplies and Services	13,099	13,783	13,262
Grants	1,178	1,146	1,135
Inter-Authority Services	66	15	63
Other	-	61	1
	<u>\$ 18,064</u>	<u>\$ 19,052</u>	<u>\$ 18,118</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$11,000 (2002 - \$9,000) in achievement bonuses for management and non-union staff.

Sakaw-Askiy Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			
	Salary ⁽¹⁾	Benefits and Allowances ⁽²⁾	2003 Total	2002 Total
Co-Chair of the Authority	\$ 12	\$ -	\$ 12	\$ 29
Co-Chair of the Authority	\$ 13	\$ -	\$ 13	\$ 16
Board Members (6 members)	\$ 35	\$ -	\$ 35	\$ 65
Chief Executive Officer (3)	\$ 145	\$ 10	\$ 155	\$ 131

(1) For the Chief Executive Officer (CEO), salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) As a result of the the Authority sharing a CEO and the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year.

While the schedule above includes the full salary of the former CEO and transitional CEO, the Authority only paid for a portion of their respective salaries and benefits.

For the period of April 2002 to January 2003, the former CEO's salary and benefits were prorated 40% to Sakaw-Askiy Child and Family Services Authority and 60% to Ma'mowe Capital Region Child and Family Services Authority.

As of January 23, 2003, a transitional CEO was appointed to serve Sakaw-Askiy, Sakaigun Askiy and Neeqan Awas'sak Child and Family Services Authorities. The transitional CEO's salary and benefits were prorated 33%, 34% and 33% to the respective Authorities detailed above for February and March 2003.

Sakaw-Askiy Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 19,662	\$ 18,954	\$ -	\$ -
Recoveries - Resident on ReServes	383	314	-	-
Recoveries - Inter-Authority Services	15	63	-	-
	<u>\$ 20,060</u>	<u>\$ 19,331</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 714	\$ (3)	\$ -	\$ -
Department of Children's Services	201	364	-	-
	<u>\$ 915</u>	<u>\$ 361</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 490	\$ 126	\$ -	\$ -
West Yellowhead Child and Family Services Authority	(23)	(55)	-	-
Ma'mowe Capital Region Child and Family Services Authority	(193)	(85)	-	-
Sakaigun Asky Child and Family Services Authority	(17)	-	-	-
Awasak Child and Family Services Authority	-	7	-	-
Alberta Human Resources and Employment	-	-	13	-
	<u>\$ 270</u>	<u>\$ (7)</u>	<u>\$ 13</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

Expenses (notional):	(In thousands)	
	Other Entities	
	2003	2002
Accommodation	\$ 373	\$ 331
Administration	212	262
Legal Services	59	28
	<u>\$ 644</u>	<u>\$ 621</u>

Sakaw-Askiy Child and Family Services Authority

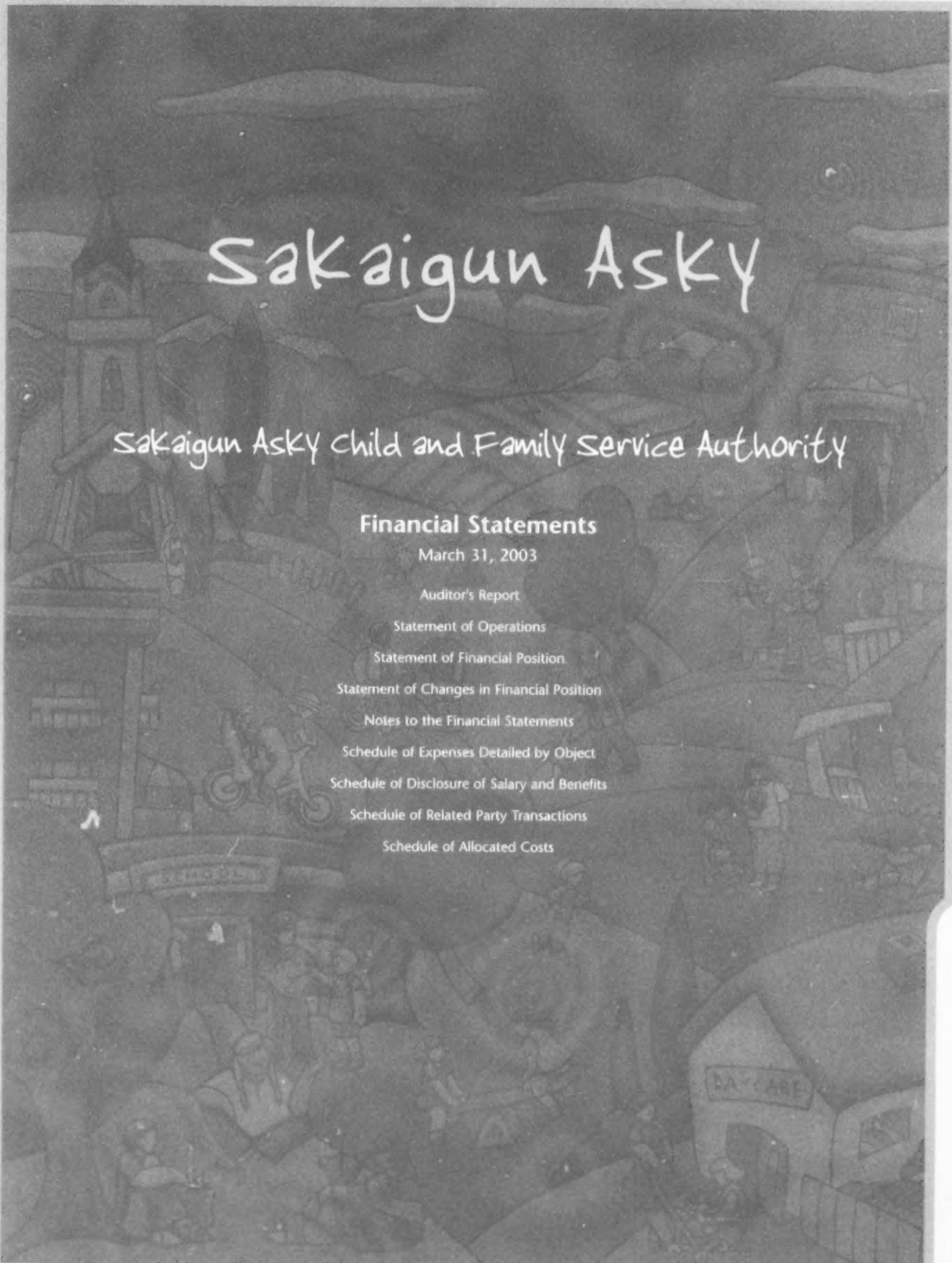
Allocated Costs

For the year ended March 31, 2003

Schedule 4

Program	(In thousands)						
	2003					2002	
	Expenses - Incurred by Others				Valuation Adjustments	Total Expenses	Total Expenses
	Expenses	Accommodation Costs	Administration Costs	Legal Services	Vacation Pay		
Program Support	\$ 696	\$ 26	\$ 212	\$ -	\$ -4	\$ 938	\$ 1,197
Child Welfare	13,326	312	-	59	51	13,748	12,675
Services to Children with Disabilities	2,199	26	-	-	4	2,229	2,383
Child Care	1,191	9	-	-	2	1,202	1,354
Early Intervention	1,077	-	-	-	-	1,077	787
Prevention of Family Violence	205	-	-	-	-	205	217
Mentoring for Parents	250	-	-	-	-	250	-
Fetal Alcohol Initiatives	32	-	-	-	-	32	63
Inter-Authority Services	15	-	-	-	-	15	63
	<u>\$ 18,991</u>	<u>\$ 373</u>	<u>\$ 212</u>	<u>\$ 59</u>	<u>\$ 61</u>	<u>\$ 19,696</u>	<u>\$ 18,739</u>

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.



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Sakaigun Asky Child and Family Service Authority

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Schedule of Allocated Costs

Sakaigun Asky Child and Family Services Authority

Auditor's Report



To the Members of the North Central Alberta Child and Family Services Authority (Region 7) and the Minister of Children's Services

I have audited the statement of financial position of the Sakaigun Asky Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Deum'.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Sakaigun Asky Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 16,407	\$ 14,384	\$ 16,590
Recoveries - Resident on Reserve	766	761	828
Recoveries - Inter-Authority Services	884	1,232	1,098
Miscellaneous Revenue (Note 6)	72	122	118
	<u>18,129</u>	<u>16,499</u>	<u>18,634</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	150	75	91
Management and Program Support	773	655	801
Services to Children and Families:			
Child Welfare	10,964	9,372	11,037
Services to Children with Disabilities	1,296	1,286	1,389
Child Care	1,476	1,131	1,507
Early Intervention	1,450	852	1,402
Prevention of Family Violence	923	1,101	937
Mentoring for Parents	177	-	-
Fetal Alcohol Initiatives	36	37	47
Inter-Authority Services	884	1,232	1,098
Valuation Adjustments:			
Vacation Pay (Note 2)	-	(50)	81
	<u>18,129</u>	<u>15,691</u>	<u>18,390</u>
Net Operating Results	<u>\$ -</u>	<u>\$ 808</u>	<u>\$ 244</u>

The accompanying notes and schedules are part of these financial statements.

Sakaigun Asky Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 1,417	\$ 936
Accounts Receivable (Note 4)	1,182	1,097
Advances	-	1
	<u>\$ 2,599</u>	<u>\$ 2,034</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 1,313	\$ 1,556
Net Assets		
Net Assets at Beginning of Year	478	234
Net Operating Results	808	244
Net Assets at End of Year	<u>1,286</u>	<u>478</u>
	<u>\$ 2,599</u>	<u>\$ 2,034</u>

The accompanying notes and schedules are part of these financial statements.

Sakaigun Asky Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions		
Net Operating Results	\$ 808	\$ 244
Non-Cash Items		
Vacation Pay	(50)	81
	<u>758</u>	<u>325</u>
Decrease (Increase) in Accounts Receivable	(85)	11
Decrease in Advances	1	-
(Decrease) in Accounts Payable, Accrued Liabilities ^(a)	<u>(193)</u>	<u>(215)</u>
Cash Provided	<u>481</u>	<u>121</u>
Cash, Beginning of Year	936	815
Cash, End of Year	<u>\$ 1,417</u>	<u>\$ 936</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Sakaigun Asky Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Sakaigun Asky Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Sakaigun Asky Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements (Note 8) that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Sakaigun Asky Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services; and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$18,129 on March 21, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$1,182 and \$1,313 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Sakaigun Asky Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 16,407
Reduction to funding for the current year	(2,023)
Grant for the year	<u>\$ 14,384</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 931	\$ 622
Child and Family Services Authorities	206	372
Refunds from Suppliers	19	14
Other	26	89
	<u>\$ 1,182</u>	<u>\$ 1,097</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 108	\$ 196
Accrued Vacation Pay	340	390
Trade Payable	865	970
	<u>\$ 1,313</u>	<u>\$ 1,556</u>

Sakaigun Asky Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Recoveries of costs incurred under an agreement (see Note 8)	\$ 10	\$ 50
Previous year over accrual	66	-
Other miscellaneous revenue	46	68
	<u>\$ 12</u>	<u>\$ 118</u>

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Service Contracts	\$ 1,340	\$ 581
Long-term leases ^(a)	232	111
	<u>\$ 1,572</u>	<u>\$ 692</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)	
	2004	\$ 89
	2005	\$ 71
	2006	\$ 51
	2007	\$ 21

Note 8 Third Party Agreements (In thousands)

In partnership with the Elk Island School Division, the Authority has entered into an agreement to deliver programs under the Student Health Initiatives. The revenues and expenses of \$10 (2002 - \$50) are included in the financial statements.

Sakaigun Asky Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 9 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Sakaigun Asky Child and Family Services Authority will be apportioned and added to the following new Authorities:

East Central Child and Family Services Authority – Approximately 15% of April 1, 2003 net assets

Edmonton and Area Child and Family Services Authority – Approximately 25% of April 1, 2003 net assets

North Central Child and Family Services Authority – Approximately 60% of April 1, 2003 net assets

Note 10 Change in Authority Regional Boundary (In thousands)

Effective April 1, 2002, the Authority's regional boundary was decreased. As a result, the funding from the Department of Children's Services was decreased by \$1,932. This regional boundary change is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable.

Note 11 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 12 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 13 Approval of Financial Statements

The financial statements have been approved by the Authority.

Sakaigun Asky Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 5,537	\$ 4,849	\$ 5,324
Supplies and services	10,364	8,900	10,850
Grants	1,272	1,109	1,256
Inter-Authority Services	884	1,232	1,098
Other	72	(50)	81
	<u>18,129</u>	<u>16,040</u>	<u>18,609</u>
Less: Recovery from Alberta Health and Wellness	-	(349)	(184)
Less: Recovery from Alberta Human Resource and Employment	-	-	(35)
	<u>\$ 18,129</u>	<u>\$ 15,691</u>	<u>\$ 18,390</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$27,000 (2002 - \$15,000) in achievement bonuses for management and non-union staff.

Sakaigun Asky Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			
	Salary ⁽¹⁾	Benefits and Allowances ⁽²⁾	2003 Total	2002 Total
Co-Chair of the Authority	\$ 21	\$ -	\$ 21	\$ 16
Co-Chair of the Authority	\$ 10	\$ -	\$ 10	\$ 19
Board Members (4 members)	\$ 31	\$ -	\$ 31	\$ 36
Chief Executive Officer ⁽³⁾	\$ 109	\$ 21	\$ 130	\$ 115

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by an individual who fulfilled two different roles during the course of the year. As of January 24, 2003 the CEO was appointed as transitional CEO to serve Sakaigun Asky, Sakaw Asky and Neeqan Awasak Child and Family Service Authorities. While the schedule above includes the full salary of the transitional CEO for February and March, the Authority only paid for a portion (33%) of the transitional CEO's salary and benefits.

Sakaigun Asky Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 14,384	\$ 16,590	\$ -	\$ -
Recoveries - Resident on Reserves	761	828	-	-
Recoveries - Inter-Authority Services	1,232	1,098	-	-
	<u>\$ 16,377</u>	<u>\$ 18,516</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 182	\$ 466	\$ -	\$ -
Department of Children's Services	315	460	-	-
	<u>\$ 497</u>	<u>\$ 926</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 931	\$ 622	\$ -	\$ -
Diamond Willow Child and Family Services Authority	1	-	-	-
West Yellowhead Child and Family Services Authority	2	(2)	-	-
Ma'möwe Capital Region Child and Family Services Authority	(101)	(68)	-	-
Sakaw-Asky Child and Family Services Authority	13	-	-	-
Child and Family Services Authority Region 13	30	-	-	-
Awasak Child and Family Services Authority	130	243	-	-
Metis Settlements Child and Family Services Authority	23	4	-	-
	<u>\$ 1,029</u>	<u>\$ 799</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 468	\$ 784
Administrative	310	287
Legal Services	46	32
	<u>\$ 824</u>	<u>\$ 1,103</u>

Sakaigun Asky Child and Family Services Authority

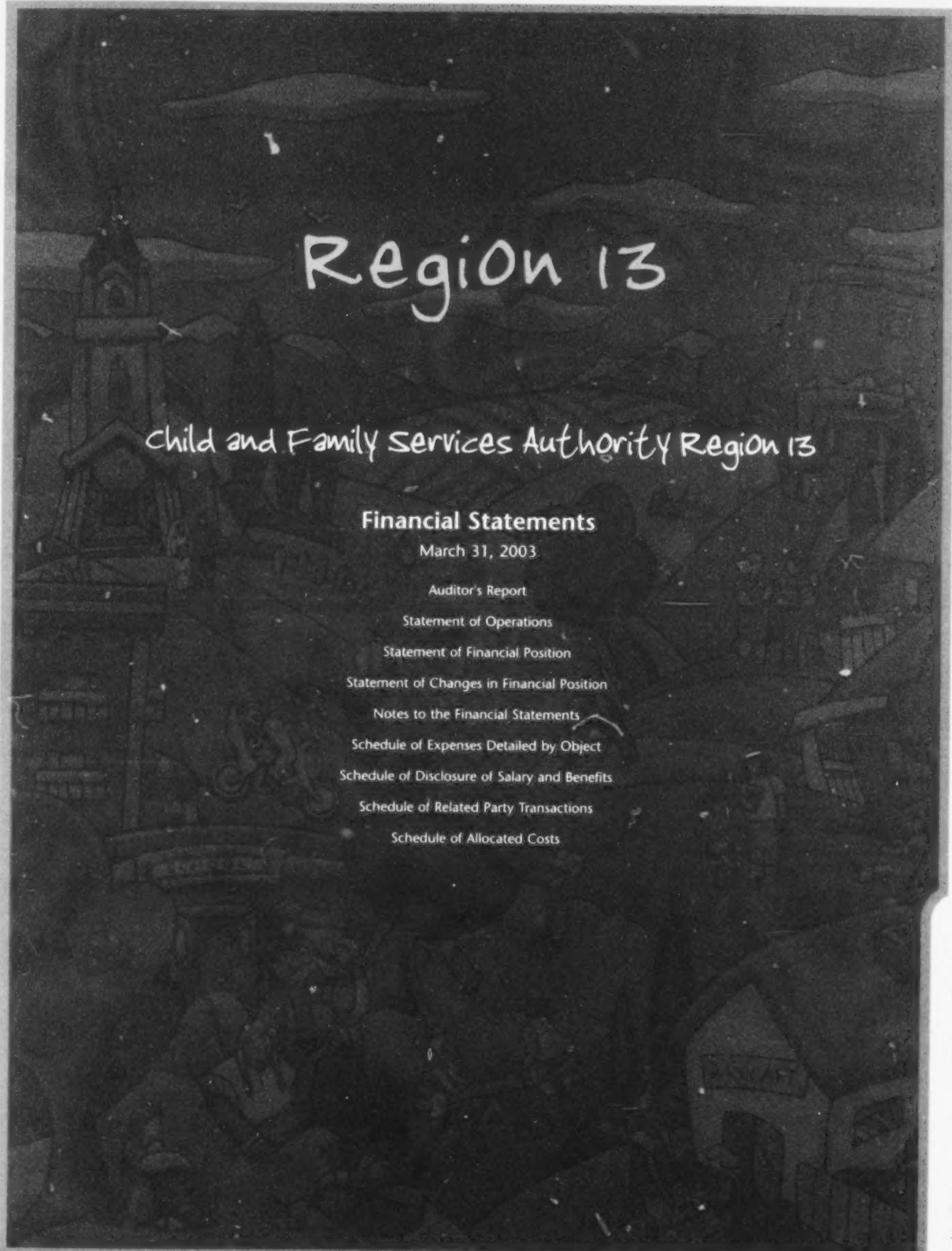
Allocated Costs

Schedule 4

For the year ended March 31, 2003

Program	(In thousands)						
	2003						2002
	Expenses - Incurred by Others				Valuation Adjustments ⁽¹⁾	Total Expenses	Total Expenses
	Expenses	Accommodation Costs	Administration Costs	Legal Services ⁽²⁾	Vacation Pay		
Program Support	\$ 730	\$ 15	\$ 310	\$ -	\$ (2)	\$ 1,053	\$ 1,197
Child Welfare	9,372	415	-	46	(43)	9,790	11,846
Services to Children with Disabilities	1,286	7	-	-	(1)	1,292	1,415
Child Care	1,131	31	-	-	(4)	1,158	1,551
Early Intervention	852	-	-	-	-	852	1,402
Prevention of Family Violence	1,101	-	-	-	-	1,101	937
Mentoring for Parents	-	-	-	-	-	-	-
Fetal Alcohol Initiatives	37	-	-	-	-	37	47
Inter-Authority Services	1,232	-	-	-	-	1,232	1,098
	\$ 15,741	\$ 468	\$ 310	\$ 46	\$ (50)	\$ 16,515	\$ 19,493

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.



Region 13

Child and Family Services Authority Region 13

Financial Statements

March 31, 2003

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

Child and Family Services Authority Region 13

Auditor's Report



To the Members of the North West Alberta Child and Family Services Authority (Region 8) and the Minister of Children's Services

I have audited the statement of financial position of the Region 13 Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Child and Family Services Authority Region 13

Statement of Operation

For the year ended March 31, 2003

	(in thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 15,112	\$ 15,175	\$ 14,936
Recoveries - First Nations Recoveries	220	180	233
Recoveries - Inter-Authority Services	170	245	297
Miscellaneous Revenue (Note 6)	-	45	60
	<u>15,502</u>	<u>15,645</u>	<u>15,526</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	136	97	153
Management and Program Support	1,165	1,005	1,398
Community Coordination	479	437	617
Services to Children and Families:			
Child Welfare	8,510	9,648	8,387
Services to Children with Disabilities	1,648	1,291	1,364
Child Care	1,671	1,496	1,547
Early Intervention	765	602	798
Prevention of Family Violence	741	847	734
Mentoring for Parents	180	113	-
Fetal Alcohol Initiatives	37	5	45
Inter-Authority Services	170	245	297
Valuation Adjustments:			
Vacation Pay (Note 2)	-	(11)	81
	<u>15,502</u>	<u>15,775</u>	<u>15,421</u>
Net Operating Results	<u>\$ -</u>	<u>\$ (130)</u>	<u>\$ 105</u>

The accompanying notes and schedules are part of these financial statements.

Child and Family Services Authority Region 13

Statement of Financial Position

As at March 31, 2003

	(in thousands)	
	2003	2002
Assets		
Cash	\$ 959	\$ 1,006
Accounts Receivable (Note 4)	490	437
Advances	2	3
	<u>\$ 1,451</u>	<u>\$ 1,446</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 1,007	\$ 872
Net Assets		
Net Assets at Beginning of Year	574	469
Net Operating Results	(130)	105
Net Assets at End of Year	<u>444</u>	<u>574</u>
	<u>\$ 1,451</u>	<u>\$ 1,446</u>

The accompanying notes and schedules are part of these financial statements.

Child and Family Services Authority Region 13

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(in thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ (130)	\$ 105
Non-Cash Items:		
Valuation Adjustments	(11)	81
	(141)	186
Decrease (Increase) in Accounts Receivable	(53)	343
Decrease in Advances	1	4
Increase in Accounts Payable and Accrued Liabilities ^(a)	146	65
Cash Provided (Used) by Operating Transactions	(47)	598
Cash, Beginning of Year	1,006	408
Cash, End of Year	<u>\$ 959</u>	<u>\$ 1,006</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Child and Family Services Authority Region 13

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Child and Family Services Authority Region 13 (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Child and Family Services Authority Region 13 which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Child and Family Services Authority Region 13

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (in thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$15,502 on June 11, 2002.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$490 and \$1,008 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends, outstanding invoices, as well as management input. The actual amount could vary significantly from that estimated.

Child and Family Services Authority Region 13

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Original budget	\$ 15,112
Additional funding provided for the current year	63
Grant for the year	<u>\$ 15,175</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 347	\$ 380
Child and Family Services Authorities	63	57
Other	80	
	<u>\$ 490</u>	<u>\$ 437</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 83	\$ 68
Accrued Vacation Pay	315	325
Trade Payable and other	609	479
	<u>\$ 1,007</u>	<u>\$ 872</u>

Child and Family Services Authority Region 13

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Previous year over accrual	\$ 45	\$ 60

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Service Contracts	\$	\$ 2,203
Long-term leases	128	215
	<u>\$ 128</u>	<u>\$ 2,418</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2008. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2004	\$	66
2005	\$	36
2006	\$	19
2007	\$	4
2008	\$	3

Note 8 Subsequent Event (in thousands)

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Child and Family Services Authority Region 13 will be part of the new North West Child and Family Services Authority. The new Child and Family Services Authority's restated budget for 2002-2003 is \$27,837. The estimated net assets of the new Child and Family Services Authority are \$777 at April 1, 2003, which are made up of 100% of the Child and Family Services Authority Region 13, 100% of the Region 14 Child and Family Services Authority, 100% of the Silver Birch Child and Family Services Authority and approximately 29% of the Neegan Awas'ak Child and Family Services Authority.

Child and Family Services Authority Region 13

Notes to the Financial Statements

For the year ended March 31, 2003

Note 9 Change in Authority Regional Boundary (In thousands)

Effective April 1, 2002, the Authority's regional boundary was increased. As a result, the funding from the Department of Children's Services was increased by \$71.

This regional boundary change is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable.

Note 10 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 11 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 12 Approval of Financial Statements

The financial statements have been approved by the Authority.

Child and Family Services Authority Region 13

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 4,639	\$ 4,219	\$ 3,905
Supplies and services	9,321	9,868	9,726
Grants	1,372	1,454	1,453
Inter-Authority Services	170	245	297
Other	-	(11)	81
	<u>15,502</u>	<u>15,775</u>	<u>15,462</u>
Less: Recovery from Alberta Human Resources and Employment	-	-	(41)
	<u>\$ 15,502</u>	<u>\$ 15,775</u>	<u>\$ 15,421</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$32,000 (2002 - \$13,000) in achievement bonuses for management and non-union staff.

Child and Family Services Authority Region 13

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			2002 Total
	2003 Salary ⁽¹⁾	2003 Benefits and Allowances ⁽²⁾	2003 Total	
Co-Chair of the Authority	\$ 20	\$ -	\$ 20	\$ 24
Co-Chair of the Authority	\$ 21	\$ -	\$ 21	\$ 20
Board Members (5 members)	\$ 33	\$ -	\$ 33	\$ 59
Chief Executive Officer ⁽³⁾	\$ 105	\$ 17	\$ 122	\$ 84

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve this authority. Region 14 Child and Family Services Authority and Silver Birch Child and Family Services Authority, while the schedule above includes the full salary of the transitional CEO for February and March, this Authority only paid for a portion (34%) of the transitional CEO's salary and benefits.

Child and Family Services Authority Region 13

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule. The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 15,175	\$ 14,936	\$ -	\$ -
Recoveries - First Nations Recoveries	180	233	-	-
Recoveries - Inter-Authority Services	245	297	-	-
Prior Year Revenue - Inter-Authority Services	45	60	-	-
	<u>\$ 15,645</u>	<u>\$ 15,526</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 505	\$ 300	\$ -	\$ -
Department of Children's Services	218	435	8	-
	<u>\$ 723</u>	<u>\$ 735</u>	<u>\$ 8</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 347	\$ 380	\$ -	\$ -
Sun Country Child and Family Services Authority	(23)	-	-	-
Hearthstone Child and Family Services Authority	-	(1)	-	-
West Yellowhead Child and Family Services Authority	2	2	-	-
Ma'mowe Capital Region Child and Family Services Authority	-	9	-	-
Region 14 Child and Family Services Authority	21	18	-	-
Neegan Awas'sak Child and Family Services Authority	(4)	(39)	-	-
Sakaigun Asky Child and Family Services Authority	(30)	-	-	-
Silver Birch Child and Family Services Authority	3	-	-	-
Metis Child and Family Services Authority	11	-	-	-
	<u>\$ 327</u>	<u>\$ 369</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 675	\$ 538
Administrative	221	184
Legal Services	8	3
	<u>\$ 904</u>	<u>\$ 725</u>

Child and Family Services Authority Region 13

Allocated Costs

Schedule 4

For the year ended March 31, 2003

Program	(In thousands)						2002	
	2003					Valuation Adjustments	Total Expenses	Total Expenses
	Expenses	Accommodation Costs	Administration Costs	Legal Services	Others			
Program Support	\$ 1,539	\$ 127	\$ 221	\$ -	\$ -	(2)	\$ 1,885	\$ 2,558
Child Welfare	9,648	498	-	8	-	(8)	10,146	8,772
Services to Children with Disabilities	1,291	40	-	-	-	(1)	1,330	1,395
Child Care	1,496	10	-	-	-	-	1,506	1,547
Early Intervention	602	-	-	-	-	-	602	798
Prevention of Family Violence	847	-	-	-	-	-	847	734
Mentoring for Parents	113	-	-	-	-	-	113	-
Fetal Alcohol Initiatives	5	-	-	-	-	-	5	45
Inter-Authority Services	245	-	-	-	-	-	245	297
	<u>\$ 15,786</u>	<u>\$ 675</u>	<u>\$ 221</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>(11)</u>	<u>\$ 16,679</u>	<u>\$ 16,146</u>

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

Region 14

Region 14 Child and Family Services Authority

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Region 14 Child and Family Services Authority Auditor's Report



To the Members of the North West Alberta Child and Family Services Authority (Region 8) and the Minister of Children's Services

I have audited the statement of financial position of the Region 14 Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Region 14 Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 4,222	\$ 4,397	\$ 4,182
Recoveries - First Nation Recoveries	226	194	232
Recoveries - Inter-Authority Services	61	91	66
Miscellaneous Revenue (Note 6)	-	31	31
	<u>4,509</u>	<u>4,713</u>	<u>4,511</u>
Expenses (Schedules 1 and 4)			
Program Support:	125	98	343
Board Governance	292	309	439
Management and Program Support	162	213	-
Community Coordination			
Services to Children and Families:	2,283	2,600	2,274
Child Welfare	309	311	263
Services to Children with Disabilities	408	374	368
Child Care	479	349	388
Early Intervention	325	332	322
Prevention of Family Violence	50	64	-
Mentoring for Parents	15	24	-
Fetal Alcohol Initiatives	61	91	66
Inter-Authority Services			
Valuation Adjustments:	-	-	1
Vacation Pay (Note 2)	4,509	4,765	4,464
	<u>4,509</u>	<u>4,765</u>	<u>4,464</u>
Net Operating Results	<u>\$ -</u>	<u>\$ (52)</u>	<u>\$ 47</u>

The accompanying notes and schedules are part of these financial statements.

Region 14 Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 164	\$ 104
Accounts Receivable (Note 4)	139	202
Advances	1	1
	<u>\$ 304</u>	<u>\$ 307</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	<u>\$ 304</u>	<u>\$ 255</u>
Net Assets		
Net Assets at Beginning of Year	52	5
Net Operating Results	(52)	47
Net Assets at End of Year	<u>-</u>	<u>52</u>
	<u>\$ 304</u>	<u>\$ 307</u>

The accompanying notes and schedules are part of these financial statements.

Region 14 Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

Operating Transactions:

	(In thousands)	
	2003	2002
Net Operating Results	\$ (52)	\$ 47
Non-Cash Items:		
Valuation Adjustments	-	1
	(52)	48
Decrease (Increase) in Accounts Receivable	63	(8)
Decrease in Advances	-	1
Increase (Decrease) in Accounts Payable and Accrued Liabilities ^(a)	49	(104)
Cash Provided (Used) by Operating Transactions	60	(63)

Cash, Beginning of Year

104 167

Cash, End of Year

\$ 164 \$ 104

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Region 14 Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Region 14 Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Region 14 Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Region 14 Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash, accounts receivable and advances approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority has not approved the budget of \$4,509.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$159 and \$304 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Region 14 Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Original budget	\$ 4,222
Additional funding provided for the current year	175
Grant for the year	<u>\$ 4,397</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 108	\$ 129
Child and Family Services Authorities	11	7
Other	20	66
	<u>\$ 139</u>	<u>\$ 202</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 26	\$ 65
Accrued Vacation Pay	82	82
Trade Payable and other	196	108
	<u>\$ 304</u>	<u>\$ 255</u>

Region 14 Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Previous year over accrual	\$ 15	\$ 31
Previous year agency contract surplus	16	
	<u>\$ 31</u>	<u>\$ 31</u>

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Service Contracts	\$ -	\$ 45
Long-term leases ^(a)	64	92
	<u>\$ 64</u>	<u>\$ 137</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are \$64,068 in 2007.

(In thousands)	
2004	\$ 20
2005	\$ 18
2006	\$ 17
2007	\$ 9

Note 8 Subsequent Event (In thousands)

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Region 14 Child and Family Services Authority will be part of the new North West Child and Family Services Authority. The new Child and Family Services Authority's restated budget for 2002-2003 is \$27,837. The estimated net assets of the new Child and Family Services Authority are \$777 at April 1, 2003, which are made up of 100% of the Region 14 Child and Family Services Authority, 100% of the Child and Family Services Authority Region 13, 100% of the Silver Birch Child and Family Services Authority and approximately 29% of the Neegan Awas'ak Child and Family Authority.

Region 14 Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 9 Change in Authority Regional Boundary (In thousands)

Effective April 1, 2002, the Authority's regional boundary was increased. As a result, the funding from the Department of Children's Services was increased by \$74.

This regional boundary change is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable.

Note 10 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 11 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 12 Approval of Financial Statements

The financial statements have been approved by the Authority.

Region 14 Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower	\$ 1,406	\$ 1,430	\$ 1,217
Supplies and services	2,750	2,926	2,947
Grants	292	548	308
Inter-Authority Services	61	91	66
Other	-	-	1
	<u>4,509</u>	<u>4,995</u>	<u>4,539</u>
Less: Recovery from Alberta Health and Wellness	-	(230)	(63)
Less: Recovery from Alberta Human Resources and Employment	-	-	(12)
	<u>\$ 4,509</u>	<u>\$ 4,765</u>	<u>\$ 4,464</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$16,000 (2002 - \$6,000) in achievement bonuses for management and non-union staff.

Region 14 Child and Family Services Authority

Disclosure of Salary and Benefits

For the year ended March 31, 2003

Schedule 2

	(In thousands)			2002	
	2003			Total	Total
	Salary	Benefits and Allowances ⁽¹⁾	Total		
Co-Chair of the Authority	\$ 31	\$ -	\$ 31	\$	35
Co-Chair of the Authority	\$ 24	\$ -	\$ 24	\$	27
Board Members (9 members)	\$ 37	\$ -	\$ 37	\$	58
Chief Executive Officer ⁽²⁾	\$ 112	\$ 17	\$ 129	\$	99

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve this authority, Child and Family Services Authority Region 13 and Silver Birch Child and Family Services Authority 17, while the schedule above includes the full salary of the transitional CEO for February and March, this Authority only paid for a portion (33%) of the transitional CEO's salary and benefits.

Region 14 Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 4,397	\$ 4,182	\$ -	\$ -
Recoveries - First Nation Recoveries	194	232	-	-
Recoveries - Inter-Authority Services	91	66	-	-
	<u>\$ 4,682</u>	<u>\$ 4,480</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses				
Inter-Authority Services Received	\$ 197	\$ 294	\$ -	\$ -
Department of Children's Services	70	157	3	-
	<u>\$ 267</u>	<u>\$ 451</u>	<u>\$ 3</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 108	\$ 129	\$ -	\$ -
West Yellowhead Child and Family Services Authority	1	-	-	-
Ma'môwe Capital Region Child and Family Services Authority	(2)	-	-	-
Child and Family Services Authority Region 13	(20)	(18)	-	-
Neegan Awas'sak Child and Family Services Authority	5	(41)	-	-
Silver Birch Child and Family Services Authority	1	-	-	-
Metis Settlements Child and Family Services Authority	-	1	-	-
	<u>\$ 93</u>	<u>\$ 71</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 292	\$ 419
Administrative	173	161
Legal Services	-	-
	<u>\$ 465</u>	<u>\$ 580</u>

Region 14 Child and Family Services Authority

Allocated Costs

For the year ended March 31, 2003

Schedule 4

Program	(In thousands)						
	2003						2002
	Expenses - Incurred by Others				Valuation	Total	Total
	Expenses	Accommodation	Administration	Legal	Adjustments		
		Costs	Costs	Services	Vacation Pay		
Program Support	\$ 620	\$ 32	\$ 173	\$ -	\$ -	\$ 825	\$ 1,065
Child Welfare	2,600	226	-	-	-	2,826	2,472
Services to Children with Disabilities	311	15	-	-	-	326	280
Child Care	374	19	-	-	-	393	403
Early Intervention	349	-	-	-	-	349	388
Prevention of Family Violence	332	-	-	-	-	332	322
Mentoring for Parents	64	-	-	-	-	64	-
Fetal Alcohol Initiatives	24	-	-	-	-	24	48
Inter-Authority Services	91	-	-	-	-	91	66
	\$ 4,765	\$ 292	\$ 173	\$ -	\$ -	\$ 5,229	\$ 5,044

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

Neeگان Awas'sak

Neeگان Awas'sak Child and Family Services Authority

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Neegan Awas'sak Child and Family Services Authority

Auditor's Report

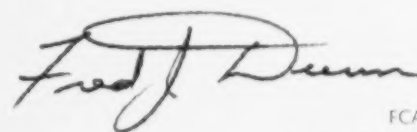


To the Members of the North Central Alberta Child and Family Services Authority (Region 7) and the Minister of Children's Services

I have audited the statement of financial position of the Neegan Awas'sak Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.



FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Neegan Awas'sak Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues:			
Grant from the Department of Children's Services (Note 3)	\$ 7,579	\$ 7,511	\$ 7,632
Recoveries - First Nations Recoveries	175	684	257
Recoveries - Inter-Authority Services	380	558	813
Miscellaneous Revenue (Note 6)	-	49	68
	<u>8,134</u>	<u>8,802</u>	<u>8,770</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	92	85	89
Management and Program Support	468	541	494
Community Coordination	-	-	5
Services to Children and Families:			
Child Welfare	5,599	6,138	5,279
Services to Children with Disabilities	498	402	558
Child Care	654	608	605
Early Intervention	146	216	519
Prevention of Family Violence	204	287	167
Mentoring for Parents	77	-	-
Fetal Alcohol Initiatives	16	16	56
Inter-Authority Services	380	558	813
Valuation Adjustments:			
Vacation Pay (Note 2)	-	(26)	19
	<u>8,134</u>	<u>8,825</u>	<u>8,604</u>
Net Operating Results	<u>\$ -</u>	<u>\$ (23)</u>	<u>\$ 166</u>

The accompanying notes and schedules are part of these financial statements.

Neegan Awas'sak Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 580	\$ 174
Accounts Receivable (Note 4)	470	614
Prepaid Expenses	46	-
	<u>\$ 1,096</u>	<u>\$ 788</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 796	\$ 465
Net Assets		
Net Assets at Beginning of Year	323	157
Net Operating Results	(23)	166
Net Assets at End of Year	<u>300</u>	<u>323</u>
	<u>\$ 1,096</u>	<u>\$ 788</u>

The accompanying notes and schedules are part of these financial statements.

Neegan Awas'sak Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ (23)	\$ 166
Valuation Adjustments	(26)	19
	(49)	185
Decrease in Accounts Receivable	144	268
(Increase) in Prepaid Expenses	(46)	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities ^(a)	357	(690)
Cash Provided (Used) by Operating Transactions	406	(237)
Cash, Beginning of Year	174	411
Cash, End of Year	<u>\$ 580</u>	<u>\$ 174</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Neegan Awas'sak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Neegan Awas'sak Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Neegan Awas'sak Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Neegan Awas'sak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash and accounts receivable approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$8,134 on August 13, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$470 and \$796 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Neegan Awas'sak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Original budget	\$ 7,579
Reduction to funding for the current year	(68)
Grant for the year	<u>\$ 7,511</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 305	\$ 297
Child and Family Services Authorities	117	108
Refunds from Suppliers	43	-
Expense Recovery from Alberta Health and Wellness	-	204
Other	5	5
	<u>\$ -470</u>	<u>\$ 614</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 48	\$ 18
Accrued Vacation Pay	189	249
Trade Payable and other	559	198
	<u>\$ 796</u>	<u>\$ 465</u>

Neegan Awas'sak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Previous year agency contract surpluses	\$ 36	\$
Previous year over accrual	11	51
Other miscellaneous revenue	2	17
	<u>\$ 49</u>	<u>\$ 68</u>

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Service Contracts	\$ 968	\$ 1,313
Long-term leases ^(a)	132	195
	<u>\$ 1,100</u>	<u>\$ 1,508</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2004	\$	73
2005	\$	45
2006	\$	14

Note 8 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Neegan Awas'sak Child and Family Services Authority will be apportioned and added to the following new authorities:

North Central Child and Family Services Authority – approximately 71% of April 1, 2003 net assets

North West Child and Family Services Authority – approximately 29% of April 1, 2003 net assets

Neegan Awas'sak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 9 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 10 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 11 Approval of Financial Statements

The financial statements have been approved by the Authority.

Neegan Awas'sak Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 2,892	\$ 3,336	\$ 3,507
Supplies and services	4,518	4,683	4,089
Grants	344	274	392
Inter-Authority Services	380	558	811
Other	-	(26)	19
	<u>8,134</u>	<u>8,825</u>	<u>8,820</u>
Less: Recovery from Alberta Health and Wellness	-	-	(12)
Recovery from Alberta Human Resources and Employment	-	-	(204)
	<u>\$ 8,134</u>	<u>\$ 8,825</u>	<u>\$ 8,604</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$13,000 (2002 - \$11,000) in achievement bonuses for management and non-union staff.

Neegan Awas'sak Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			2002 Total
	2003 Salary	2003 Benefits and Allowances	2003 Total	
Co-Chair of the Authority	\$ 16	\$ -	\$ 16	\$ 20
Co-Chair of the Authority	\$ 14	\$ -	\$ 14	\$ 14
Board Members (4 members)	\$ 34	\$ -	\$ 34	\$ 42
Chief Executive Officer ⁽¹⁾	\$ 114	\$ 38	\$ 152	\$ 91

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve this authority, Sakaw-Askiy Child and Family Services Authority, and Sakaigun Askiy Child and Family Services Authority while the schedule above includes the full salary of the transitional CEO for February and March, this Authority only paid for a portion (33%) of the transitional CEO's salary and benefits.

Neegan Awas'sak Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 7,511	\$ 7,632	\$ -	\$ -
Recoveries - First Nations Recoveries	684	257	-	-
Recoveries - Inter-Authority Services	558	813	-	-
	<u>\$ 8,753</u>	<u>\$ 8,702</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 171	\$ 133	\$ -	\$ -
Department of Children's Services	194	303	-	-
	<u>\$ 365</u>	<u>\$ 436</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 305	\$ 297	\$ -	\$ -
Ma'mowe Capital Region Child and Family Services Authority	(18)	(2)	-	-
Child and Family Services Authority Region 13	4	38	-	-
Region 14 Child and Family Services Authority	(5)	41	-	-
Awasak Child and Family Services Authority	23	-	-	-
Silver Birch Child and Family Services Authority	20	-	-	-
Metis Settlements Child and Family Services Authority	45	13	-	-
	<u>\$ 374</u>	<u>\$ 387</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 556	\$ 503
Administrative	212	183
Legal Services	4	4
	<u>\$ 772</u>	<u>\$ 690</u>

Neegan Awas'sak Child and Family Services Authority

Allocated Costs

Schedule 4

For the year ended March 31, 2003

Program	(In thousands)							2002
	2003							
	Expenses - Incurred by Others				Valuation Adjustments			
	Expenses	Accommodation Costs	Administration Costs	Legal Services	Vacation Pay	Total Expenses	Total Expenses	
Program Support	\$ 626	\$ 21	\$ 212	\$ -	\$ (1)	\$ 858	\$ 795	
Child Welfare	6,138	513	-	4	(25)	6,630	5,733	
Services to Children with Disabilities	402	11	-	-	-	413	590	
Child Care	608	11	-	-	-	619	613	
Early Intervention	216	-	-	-	-	216	527	
Prevention of Family Violence	287	-	-	-	-	287	167	
Mentoring for Parents	-	-	-	-	-	-	-	
Fetal Alcohol Initiatives	16	-	-	-	-	16	56	
Inter-Authority Services	558	-	-	-	-	558	813	
	\$ 8,851	\$ 556	\$ 212	\$ 4	\$ (26)	\$ 9,597	\$ 9,294	

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

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Awasak Child and Family Services Authority

Financial Statements

March 31, 2003

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

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Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

Awasak Child and Family Services Authority

Auditor's Report



To the Members of the North East Alberta Child and Family Services Authority (Region 9) and the Minister of Children's Services

I have audited the statement of financial position of the Awasak Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in dark ink, appearing to read 'Fred J. Deem'.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Awasak Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 8,409	\$ 8,794	\$ 8,573
Recoveries - Resident on Reserve	105	370	561
Recoveries - Inter-Authority Services	20	22	65
Miscellaneous Revenue (Note 6)	420	417	392
	<u>8,954</u>	<u>9,603</u>	<u>9,591</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	101	26	44
Management and Program Support	439	710	776
Community Coordination	195	261	143
Services to Children and Families:			
Child Welfare	5,366	6,801	6,218
Services to Children with Disabilities	875	1,103	1,011
Child Care	388	296	315
Early Intervention	1,068	463	451
Prevention of Family Violence	370	426	363
Mentoring for Parents	96	63	-
Fetal Alcohol Initiatives	20	12	9
Inter-Authority Services	20	22	65
Valuation Adjustments:			
Vacation Pay (Note 2)	-	20	44
	<u>8,938</u>	<u>10,203</u>	<u>9,439</u>
Net Operating Results	<u>\$ 16</u>	<u>\$ (600)</u>	<u>\$ 152</u>

The accompanying notes and schedules are part of these financial statements.

Awasaq Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 80	\$ 570
Accounts Receivable (Note 4)	391	360
	<u>\$ 471</u>	<u>\$ 930</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 935	\$ 794
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	136	(16)
Net Operating Results	(600)	152
Net Assets (Liabilities) at End of Year	<u>(464)</u>	<u>136</u>
	<u>\$ 471</u>	<u>\$ 930</u>

The accompanying notes and schedules are part of these financial statements.

Awasak Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions		
Net Operating Results	\$ (600)	\$ 152
Non-Cash Items		
Vacation Pay	20	44
	(580)	196
Decrease (Increase) in Accounts Receivable	(31)	216
Increase (Decrease) in Accounts Payable, Accrued Liabilities ^(a)	121	(65)
(Decrease) in Unearned Revenue	-	(17)
Cash Provided (Used) by Operating Transactions	(490)	330
Cash, Beginning of Year	570	240
Cash, End of Year	<u>\$ 80</u>	<u>\$ 570</u>

(a) Adjusted for vacation pay valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Awasak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Awasak Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Awasak Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements (Note 8) that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Awasak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash and accounts receivable approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$8,938 on May 6, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities, recorded as \$391 and \$935 respectively in these financial statements, are subject to measurement uncertainty. The accrued receivables and liabilities for this year end are based on estimates calculated using a linear analysis of the prior year and current year expenditure trends, vendor-based information of prior billing periods, as well as management input. The actual amount could vary significantly from that estimated.

Awasak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 8,409
Reduction for budgeted 2000/2001 accumulated deficit funding actually funded in 2001/2002	(16)
Additional funding provided for the current year	401
Grant for the year	<u>\$ 8,794</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 324	\$ 192
Child and Family Services Authorities	1	43
Refunds from Suppliers	18	117
Alberta Human Resources and Employment	23	7
Other	25	1
	<u>\$ 391</u>	<u>\$ 360</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 5	\$ -
Child and Family Services Authorities	178	312
Accrued Vacation Pay	165	145
Trade Payable	587	337
	<u>\$ 935</u>	<u>\$ 794</u>

Awasak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Recoveries of costs incurred under an agreement (see Note 8)	\$ 405	\$ 314
Other miscellaneous revenue	12	78
	<u>\$ 417</u>	<u>\$ 392</u>

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Service contracts	\$ 112	\$ -
Long-term leases ^(a)	43	60
	<u>\$ 155</u>	<u>\$ 60</u>

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)	
2004	\$	19
2005	\$	17
2006	\$	6
2007	\$	1

Note 8 Third Party Agreements

In partnership with the Wood Buffalo Student Health Partnership, through the Fort McMurray School Board Division 2833, the Authority has entered into an agreement to deliver services in the Fort McMurray, Alberta area. The Fort McMurray School Board Division 2833 covers all costs incurred under this agreement, and any surplus is returned to the School Board. The revenues and expenses of \$363 (2002 - \$275) are included in the financial statements.

In partnership with Alberta Human Resources and Employment and the Conklin Employment Service Centre, the Authority has entered into an agreement to deliver services on the Conklin settlements in Alberta. Alberta Human Resources and Employment cover all costs incurred under this agreement, and any surplus is returned to that Department. The revenues and expenses of \$42 (2002 - \$39), and the resulting account receivable of \$23 (2002 - \$7) are included in the financial statements.

Awasak Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 9 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Awasak Child and Family Services Authority will remain unchanged and will operate under the name of Northeast Alberta Child and Family Services Authority.

Note 10 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 11 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 12 Approval of Financial Statements

The financial statements have been approved by the Authority.

Awasak Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 1,986	\$ 2,359	\$ 2,142
Supplies and services	6,564	7,859	6,985
Grants	368	329	261
Inter-Authority Services	20	22	65
Other		20	44
	<u>8,938</u>	<u>10,589</u>	<u>9,497</u>
Less: Recovery from Alberta Health and Wellness	-	(386)	(56)
Recovery from Alberta Human Resources and Employment	-	-	(2)
	<u>\$ 8,938</u>	<u>\$ 10,203</u>	<u>\$ 9,439</u>

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$20,000 (2002 - \$10,000) in achievement bonuses for management and non-union staff.

Awasak Child and Family Services Authority

Disclosure of Salary and Benefits

For the year ended March 31, 2003

Schedule 2

	(In thousands)			2002 Total
	2003 Salary	2003 Benefits and Allowances	2003 Total	
Co-Chairs of the Authority	\$ 4	\$ -	\$ 4	\$ 9
Board Members (5 members)	\$ 10	\$ -	\$ 10	\$ 15
Chief Executive Officer ⁽¹⁾	\$ 116	\$ 23	\$ 139	\$ 127

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer was appointed as a transitional CEO as of January 24, 2003. The schedule above includes the salary of the CEO for the entire fiscal year.

Awasak Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences, and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 8,794	\$ 8,573	\$ -	\$ -
Recoveries - Resident on Reserves	370	561	-	-
Recoveries - Inter-Authority Services	22	65	-	-
	<u>\$ 9,186</u>	<u>\$ 9,199</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 937	\$ 813	\$ -	\$ -
Department of Children's Services	140	273	-	-
	<u>\$ 1,077</u>	<u>\$ 1,086</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 319	\$ 192	\$ -	\$ -
West Yellowhead Child and Family Services Authority	1	1	-	-
Ma'mówe Capital Region Child and Family Services Authority	(25)	(20)	-	-
Sakaigun Asky Child and Family Services Authority	(130)	(243)	-	-
Neegan Awas'sak Child and Family Services Authority	(23)	-	-	-
Sakaw-Askiy Child and Family Services Authority	-	(7)	-	-
	<u>\$ 142</u>	<u>\$ (77)</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 1,055	\$ 249
Administrative	231	207
Legal Services	19	1
	<u>\$ 1,305</u>	<u>\$ 457</u>

Awasak Child and Family Services Authority

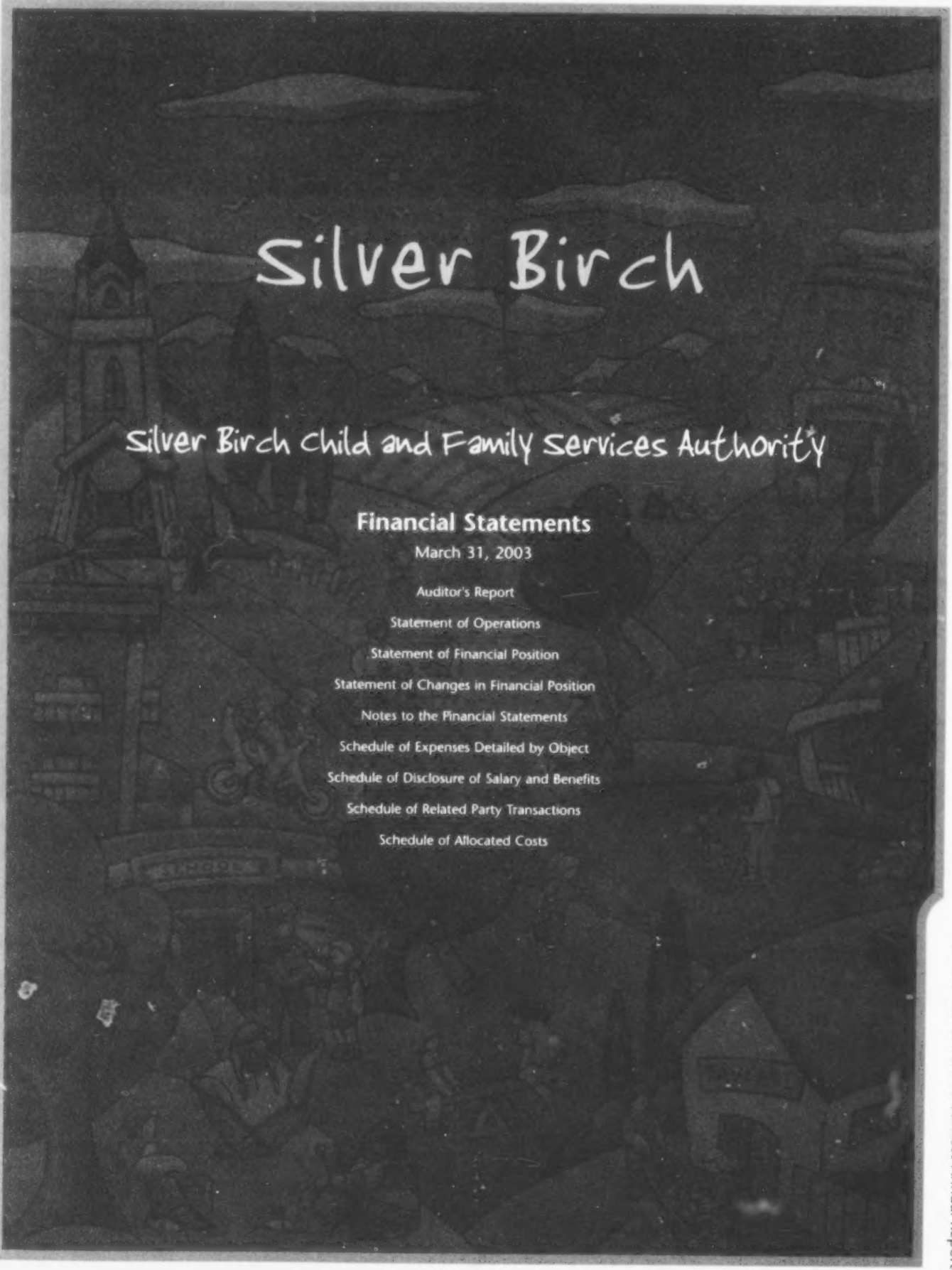
Allocated Costs

For the year ended March 31, 2003

Schedule 4

Program	(In thousands)						
	2003					2002	
	Expenses - Incurred by Others				Valuation Adjustments	Total Expenses	Total Expenses
	Expenses	Accommodation Costs	Administration Costs	Legal Services	Vacation Pay		
Program Support	\$ 997	\$ 158	\$ 231	\$ -	\$ 5	\$ 1,389	\$ 1,229
Child Welfare	6,801	837	-	19	16	7,673	6,418
Services to Children with Disabilities	1,103	-	-	-	-	1,103	1,031
Child Care	296	41	-	-	1	338	323
Early Intervention	463	19	-	-	-	482	458
Prevention of Family Violence	426	-	-	-	-	426	363
Mentoring for Parents	63	-	-	-	-	63	-
Fetal Alcohol Initiatives	12	-	-	-	-	12	9
Inter-Authority Services	22	-	-	-	-	22	65
	\$ 10,183	\$ 1,055	\$ 231	\$ 19	\$ 20	\$ 11,508	\$ 9,896

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocate by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.



Silver Birch

Silver Birch Child and Family Services Authority

Financial Statements

March 31, 2003

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Silver Birch Child and Family Services Authority

Auditor's Report



To the Members of North West Alberta Child and Family Services Authority (Region 8) and the Minister of Children's Services

I have audited the statement of financial position of the Silver Birch Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Silver Birch Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

(In thousands)

Revenues

	2003		2002
	Budget	Actual	Actual
Grant from the Department of Children's Services	\$ 3,933	\$ 3,933	\$ 3,912
Recoveries - First Nation Recoveries	139	134	130
Recoveries - Inter-Authority Services	-	4	2
Miscellaneous Revenue (Note 5)	-	46	18
	<u>4,072</u>	<u>4,117</u>	<u>4,062</u>

Expenses (Schedules 1 and 4)

Program Support:			
Board Governance	70	71	62
Management and Program Support	313	367	364
Community Coordination	449	466	470
Services to Children and Families:			
Child Welfare	1,119	1,256	1,086
Services to Children with Disabilities	640	792	595
Child Care	189	126	171
Early Intervention	824	573	754
Prevention of Family Violence	403	412	379
Mentoring for Parents	50	2	-
Fetal Alcohol Initiatives	15	15	3
Inter-Authority Services	-	4	2
Valuation Adjustments:			
Vacation Pay (Note 2)	-	(7)	35
	<u>4,072</u>	<u>4,077</u>	<u>3,921</u>

Net Operating Results

\$ -	\$ 40	\$ 141
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The accompanying notes and schedules are part of these financial statements.

Silver Birch Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 538	\$ 359
Accounts Receivable (Note 3)	100	90
	<u>\$ 638</u>	<u>\$ 449</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 4)	\$ 392	\$ 243
Net Assets		
Net Assets at Beginning of Year	206	65
Net Operating Results	40	141
Net Assets at End of Year	<u>246</u>	<u>206</u>
	<u>\$ 638</u>	<u>\$ 449</u>

The accompanying notes and schedules are part of these financial statements.

Silver Birch Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ 40	\$ 141
Non-Cash Items:		
Valuation Adjustments	(7)	35
	33	176
Decrease (Increase) in Accounts Receivable	(10)	23
Increase (Decrease) in Accounts Payable and Accrued Liabilities	156	(619)
Cash Provided (Used) by Operating Transactions	179	(420)
Cash, Beginning of Year	359	779
Cash, End of Year	<u>\$ 538</u>	<u>\$ 359</u>

(4) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Silver Birch Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Silver Birch Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Silver Birch Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Silver Birch Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurring by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash and accounts receivable approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$4,072 on July 23, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$100 and \$392 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Silver Birch Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 81	\$ 90
Refunds from Suppliers	19	-
	<u>\$ 100</u>	<u>\$ 90</u>

Note 4 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 24	\$ 1
Accrued Vacation Pay	63	82
Trade Payable and other	305	160
	<u>\$ 392</u>	<u>\$ 243</u>

Note 5 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Previous year agency contract surpluses	\$ 42	\$ 7
Previous year over accrual	4	-
Other miscellaneous revenue	-	11
	<u>\$ 46</u>	<u>\$ 18</u>

Silver Birch Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Service Contracts	\$ -	\$ 46
Long-term leases	92	115
	<u>\$ 92</u>	<u>\$ 161</u>

- (a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)	
2004	\$	48
2005	\$	31
2006	\$	9
2007	\$	4

Note 7 Subsequent Event (in thousands)

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Silver Birch Child and Family Services Authority will be part of the new North West Child and Family Services Authority. The new Child and Family Services Authority's restated budget for 2002-2003 is \$27,837. The estimated net assets of the new Child and Family Services Authority are \$777 at April 1, 2003, which are made up of 100% of the Child and Family Services Authority Region 13, 100% of the Region 14 Child and Family Services Authority, 100% of the Silver Birch Child and Family Services Authority and approximately 29% of the Neegan Awas'sak Child and Family Services Authority.

Note 8 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 9 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 10 Approval of Financial Statements

The financial statements have been approved by the Authority.

Silver Birch Child and Family Services Authority

Expenses Detailed by Object

Schedule 1

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 1,338	\$ 1,402	\$ 1,329
Supplies and services	2,614	2,592	2,432
Grants	120	86	123
Inter-Authority Services	-	4	2
Other	-	(7)	35
	<u>\$ 4,072</u>	<u>\$ 4,077</u>	<u>\$ 3,921</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$11,000 (2002 -\$8,000) in achievement bonuses for management and non-union staff.

Silver Birch Child and Family Services Authority

Schedule 2

Disclosure of Salary and Benefits

For the year ended March 31, 2003

	(In thousands)			2002
	2003			
	Salary	Benefits and Allowances	Total	Total
Co-Chair of the Authority	\$ 14	\$ -	\$ 14	\$ 14
Co-Chair of the Authority	\$ 14	\$ -	\$ 14	\$ 10
Board Members (6 members)	\$ 34	\$ -	\$ 34	\$ 37
Chief Executive Officer	\$ 102	\$ 22	\$ 124	\$ 86

- (1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.
- (2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.
- (3) As a result of the transition from 18 to 10 Child and Family Services Authorities effective April 1, 2003, the Chief Executive Officer's position was occupied by two individuals during the course of the year. As of January 24, 2003 a transitional CEO was appointed to serve this authority, Region 14 Child and Family Services Authority, and Child and Family Services Authority Region 13 while the schedule above includes the full salary of the transitional CEO for February and March, this Authority only paid for a portion (33%) of the transitional CEO's salary and benefits.

Silver Birch Child and Family Services Authority

Related Party Transactions

Schedule 3

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 3,933	\$ 3,912	\$ -	\$ -
Recoveries - First Nations Recoveries	134	130	-	-
Recoveries - Inter-Authority Services	4	2	-	-
	<u>\$ 4,071</u>	<u>\$ 4,044</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses:				
Inter-Authority Services Received	\$ 55	\$ 211	\$ -	\$ -
Department of Children's Services	70	137	-	-
	<u>\$ 125</u>	<u>\$ 348</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 81	\$ 90	\$ -	\$ -
Ma'mowe Capital Region Child and Family Services Authority	-	(1)	-	-
Child and Family Services Authority Region 13	(3)	-	-	-
Region 14 Child and Family Services Authority	(1)	-	-	-
Neeqan Awas'sak Child and Family Services Authority	(20)	-	-	-
	<u>\$ 57</u>	<u>\$ 89</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2003	2002
Expenses (notional):		
Accommodation	\$ 162	\$ 831
Administrative	155	149
Legal Services	12	1
	<u>\$ 329</u>	<u>\$ 981</u>

Silver Birch Child and Family Services Authority

Schedule 4

Allocated Costs

For the year ended March 31, 2003

(In thousands)							2002
2003							
Expenses ⁽¹⁾	Expenses - Incurred by Others			Valuation Adjustments		Total Expenses	
	Accommodation Costs ⁽²⁾	Administration Costs ⁽³⁾	Legal Services ⁽⁴⁾	Vacation Pay ⁽⁵⁾	Total Expenses		
\$ 904	\$ 53	\$ 155	\$ -	\$ (2)	\$ 1,110	\$ 1,334	
1,256	69	-	12	(4)	1,333	1,448	
792	27	-	-	(1)	818	739	
126	6	-	-	-	132	207	
573	6	-	-	-	579	790	
412	1	-	-	-	413	379	
2	-	-	-	-	2	-	
15	-	-	-	-	15	3	
4	-	-	-	-	4	2	
\$ 4,084	\$ 162	\$ 155	\$ 12	\$ (7)	\$ 4,406	\$ 4,902	

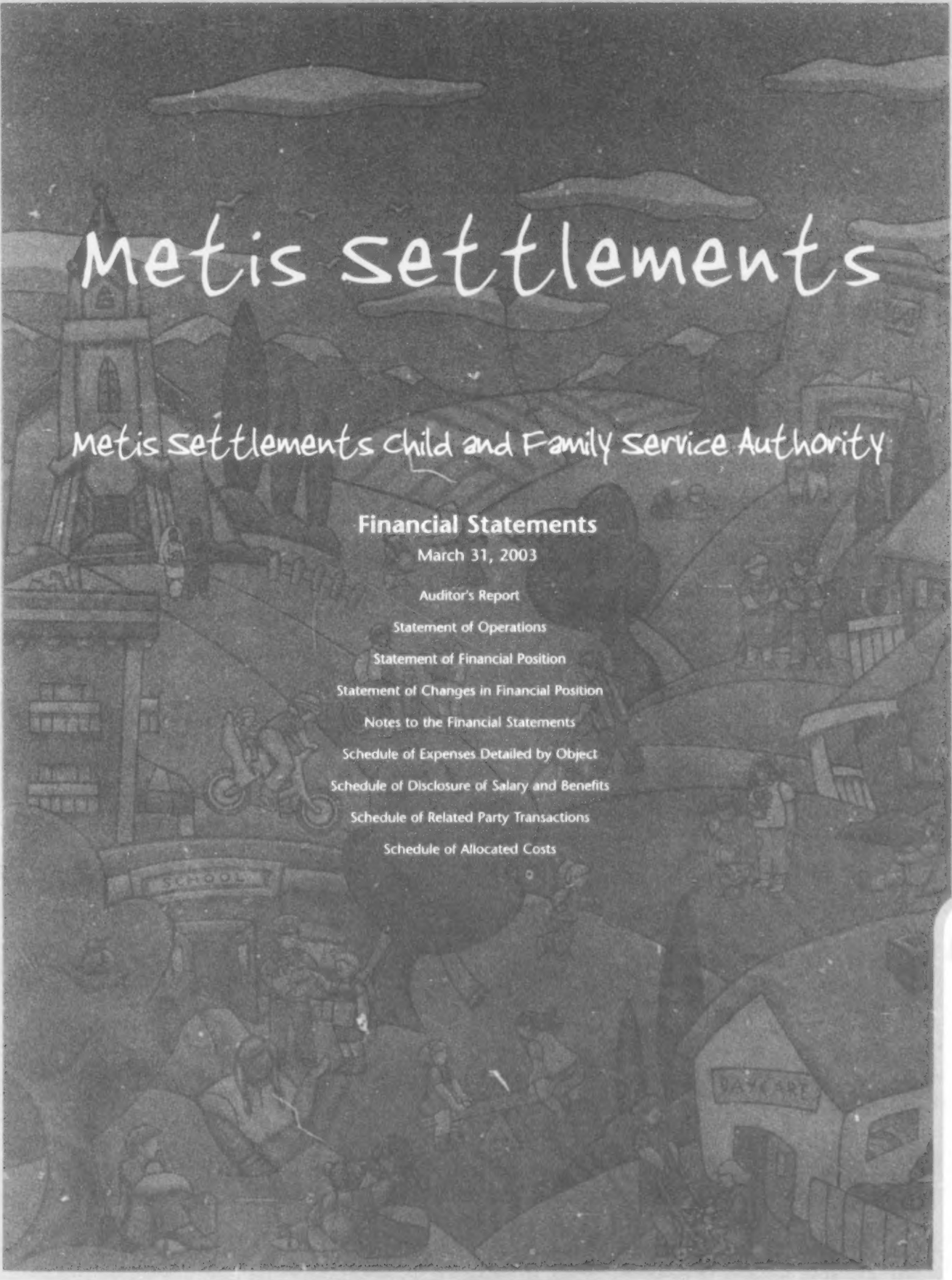
(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.



Metis Settlements

Metis Settlements Child and Family Service Authority

Financial Statements

March 31, 2003

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Metis Settlements Child and Family Services Authority

Auditor's Report

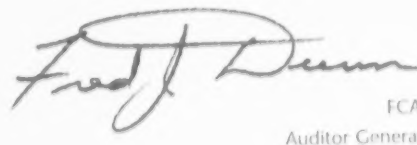


To the Members of Metis Settlements Child and Family Services Authority (Region 10) and the Minister of Children's Services

I have audited the statement of financial position of the Metis Settlements Child and Family Services Authority as at March 31, 2003 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.



Fred J. Deem
FCA
Auditor General

Edmonton, Alberta
May 23, 2003

Metis Settlements Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 3)	\$ 3,927	\$ 3,926	\$ 4,123
Recoveries - Inter-Authority Services	70	-	-
Miscellaneous Revenue (Note 6)	276	348	303
	<u>4,273</u>	<u>4,274</u>	<u>4,426</u>
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	150	132	158
Management and Program Support	266	218	529
Community Coordination	20	339	65
Services to Children and Families:			
Child Welfare	2,794	2,776	2,665
Services to Children with Disabilities	77	156	108
Child Care	31	16	41
Early Intervention	761	532	684
Prevention of Family Violence	39	113	98
Mentoring for Parents	50	50	-
Fetal Alcohol Initiatives	15	15	30
Inter-Authority Services	70	-	-
Amortization	-	-	-
Valuation Adjustments:	-	(2)	3
Vacation Pay (Note 2)	<u>4,273</u>	<u>4,345</u>	<u>4,381</u>
Net Operating Results	<u>\$ -</u>	<u>\$ (71)</u>	<u>\$ 45</u>

The accompanying notes and schedules are part of these financial statements.

Metis Settlements Child and Family Services Authority

Statement of Financial Position

As at March 31, 2003

	(In thousands)	
	2003	2002
Assets		
Cash	\$ 184	\$ 243
Accounts Receivable (Note 4)	201	145
	<u>\$ 385</u>	<u>\$ 388</u>
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	\$ 400	\$ 332
Net Assets (Liabilities)		
Net Assets at Beginning of Year	56	11
Net Operating Results	(71)	45
Net Assets (Liabilities) at End of Year	<u>(15)</u>	<u>56</u>
	<u>\$ 385</u>	<u>\$ 388</u>

The accompanying notes and schedules are part of these financial statements.

Metis Settlements Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2003

	(In thousands)	
	2003	2002
Operating Transactions:		
Net Operating Results	\$ (71)	\$ 45
Non-Cash Items:		
Valuation Adjustments	(2)	3
	(73)	48
Increase in Accounts Receivable	(56)	(58)
Decrease in Advances		2
Increase (Decrease) in Accounts Payable and Accrued Liabilities	70	(71)
Cash Used by Operating Transactions	(59)	(79)
Cash, Beginning of Year	243	322
Cash, End of Year	<u>\$ 184</u>	<u>\$ 243</u>

(a) Adjusted for valuation adjustment

The accompanying notes and schedules are part of these financial statements.

Metis Settlements Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 1 Authority and Purpose

The Metis Settlements Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act*, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this Agreement. The Agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, and communications at no charge to the Authority.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the main source of accounting policies. These are supplemented by other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector.

Reporting Entity

The reporting entity is the Metis Settlements Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserve.

Monetary donations from external sources are recorded as revenue when received.

Revenue under third party agreements (Note 8) that are restricted are recognized in the year when the related expenses are incurred.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

Metis Settlements Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 2 Summary of Significant Accounting Policies and Reporting Practices (Continued)

Directly incurred costs include:

- amortization of capital assets,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

The carrying value of cash and accounts receivable approximates their fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$100,000 and the threshold for all other capital assets is \$15,000. Only major enhancements of existing systems of \$25,000 and over are capitalized.

Liabilities

The carrying value of accounts payable and accrued liabilities approximates their fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2002-03 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 14, 2002. The Authority approved the budget of \$4,273 on May 10, 2002.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as \$201 and \$400 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Metis Settlements Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 3 Grant from the Department of Children's Services

The grant was determined as follows:

	(In thousands)
Initial (original) budget	\$ 3,927
Reduction to funding for the current year	(1)
Grant for the year	<u>\$ 3,926</u>

Note 4 Accounts Receivable

The accounts receivable are comprised of transactions with the Department of Children's Services and the remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Department of Children's Services	\$ 87	\$ 104
Federal Justice Department	114	41
	<u>\$ 201</u>	<u>\$ 145</u>

Note 5 Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities, which are related parties. The remaining transactions are with external parties.

	(In thousands)	
	2003	2002
Child and Family Services Authorities	\$ 79	\$ 21
Accrued Vacation Pay	108	114
Trade Payable	213	197
	<u>\$ 400</u>	<u>\$ 332</u>

Metis Settlements Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 6 Miscellaneous Revenue

Miscellaneous revenues includes the following:

	(In thousands)	
	2003	2002
Federal Justice Agreement (Note 8)	\$ 278	\$ 276
Alberta Mental Health Agreement	-	25
Donations	62	-
Other miscellaneous revenue	8	2
	<u>\$ 348</u>	<u>\$ 303</u>

Note 7 Commitments

As at March 31, 2003, the Authority has the following commitments:

	(In thousands)	
	2003	2002
Long-term leases	\$ 52	\$ 133

(a) The Authority leases certain equipment under operating leases that expire on various dates to March, 2004.

Note 8 Third Party Agreements (In thousands)

In partnership with the Metis General Council, the Federal Justice Department, and the Provincial Justice Department, the Authority has entered into an agreement to deliver restorative and preventative Justice programs on the eight Metis Settlements in Alberta. Also, in partnership with the Aboriginal Justice Learning Network of the Federal Justice Department, the Authority has entered into an agreement to provide mediation-training services. All costs incurred under these agreements are covered by the Federal Justice Department through the Federal Aboriginal Justice Directorate and surplus is returned to the Federal Justice Department.

The revenues and expenses of \$278 (2002 \$276) and the resulting account receivable of \$73 (2002 receivable of \$41) are included in the financial statements.

Note 9 Subsequent Event

The Ministry has restructured the existing eighteen authorities into ten authorities effective April 1, 2003.

The Metis Child and Family Services Authority will remain unchanged.

Metis Settlements Child and Family Services Authority

Notes to the Financial Statements

For the year ended March 31, 2003

Note 10 Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

Note 11 Comparative Figures

Certain 2002 figures have been reclassified to conform to the 2003 presentation.

Note 12 Approval of Financial Statements

The financial statements have been approved by the Authority.

Metis Settlements Child and Family Services Authority

Schedule 1

Expenses Detailed by Object

For the year ended March 31, 2003

	(In thousands)		
	2003		2002
	Budget	Actual	Actual
Manpower ^(a)	\$ 1,569	\$ 1,388	\$ 1,407
Supplies and services	2,602	2,806	2,947
Grants	32	153	26
Inter-Authority Services	70	-	-
Other	-	(2)	3
	<u>4,273</u>	<u>4,345</u>	<u>4,383</u>
Less: Recovery from Alberta Human Resources and Employment	-	-	(2)
	<u>\$ 4,273</u>	<u>\$ 4,345</u>	<u>\$ 4,381</u>

- (a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes \$26,000 (2002 -\$9,000) in achievement bonuses for management and non-union staff.

Metis Settlements Child and Family Services Authority

Disclosure of Salary and Benefits

Schedule 2

For the year ended March 31, 2003

	(In thousands)			2002 Total
	Salary	2003 Benefits and Allowances	Total	
Chair of the Authority	\$ 18	\$ -	\$ 18	\$ 22
Co-Chair of the Authority	\$ 23	\$ -	\$ 23	\$ 4
Board Members (4 members)	\$ 45	\$ -	\$ 45	\$ 75
Chief Executive Officer	\$ 110	\$ 22	\$ 132	\$ 105

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

Metis Settlements Child and Family Services Authority

Schedule 3

Related Party Transactions

For the year ended March 31, 2003

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management and the Board of Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences, and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from the schedule.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2003	2002	2003	2002
Revenues:				
Grant from the Department of Children's Services	\$ 3,926	\$ 4,123	\$ -	\$ -
Expenses:				
Inter-Authority Services Received	\$ 224	\$ 265	\$ -	\$ -
Department of Children's Services	56	71	-	-
	<u>\$ 280</u>	<u>\$ 336</u>	<u>\$ -</u>	<u>\$ -</u>
Receivable from/(Payable to):				
Department of Children's Services	\$ 87	\$ 104	\$ -	\$ -
Ribstone Child and Family Services Authority	-	(3)	-	-
Sakaigun Asky Child and Family Services Authority	(22)	(4)	-	-
Child and Family Services Authority Region 13	(11)	-	-	-
Region 14 Child and Family Services Authority	(1)	(1)	-	-
Neegan Awas'sak Child and Family Services Authority	(45)	(13)	-	-
	<u>\$ 8</u>	<u>\$ 83</u>	<u>\$ -</u>	<u>\$ -</u>

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

Expenses (notional):	(In thousands)	
	Other Entities	
	2003	2002
Accommodation	\$ 300	\$ 90
Administrative	108	94
Legal Services	10	-
	<u>\$ 418</u>	<u>\$ 184</u>

Metis Settlements Child and Family Services Authority

Allocated Costs

Schedule 4

For the year ended March 31, 2003

Program	(In thousands)							2002
	2003							
	Expenses - Incurred by Others				Valuation Adjustments			
	Accommodation	Administration	Legal	Vacation	Total	Total		
	Expenses	Costs	Costs	Services	Pay	Expenses	Expenses	
Program Support	\$ 689	\$ 22	\$ 108	\$ -	\$ -	\$ 819	\$ 853	
Child Welfare	2,776	236	-	10	(2)	3,020	2,744	
Services to Children with Disabilities	156	18	-	-	-	174	108	
Child Care	16	2	-	-	-	18	41	
Early Intervention	532	22	-	-	-	554	688	
Prevention of Family Violence	113	-	-	-	-	113	101	
Mentoring for Parents	50	-	-	-	-	50	-	
Fetal Alcohol Initiatives	15	-	-	-	-	15	30	
	\$ 4,347	\$ 300	\$ 108	\$ 10	\$ (2)	\$ 4,763	\$ 4,565	

- (1) Expenses as per the Statement of Operations, excluding valuation adjustments.
- (2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.
- (3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.
- (4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.
- (5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay Provision represents vacation entitlements due to all employees assigned to a program.

